

State of Alaska

Comprehensive Annual Financial Report

**For the Fiscal Year
July 1, 1999 - June 30, 2000**



**Prepared by:
Department of Administration
Division of Finance**

The FY 00 CAFR is expected to be available on or after January 2001 on our Internet web site at <http://www.state.ak.us/local/akpages/ADMIN/dof/fin-afr.htm>.

This publication was released by the Department of Administration, Division of Finance to report on the State's financial status. Produced and printed in Juneau, Alaska at a cost of \$11.55 per copy. This publication is required by AS 37.05.210.

This publication is printed entirely on recycled paper.

**STATE OF ALASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2000**

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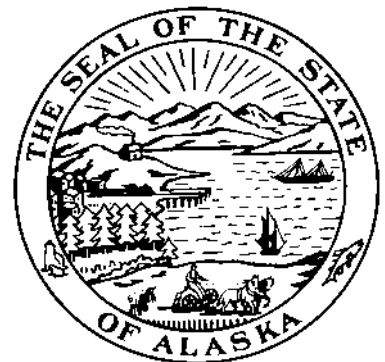
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Introductory Section





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STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

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December 15, 2000

The Honorable Tony Knowles, Governor
Members of the Legislature
Citizens of the State of Alaska

In accordance with Alaska Statute (AS) 37.05.210, it is our pleasure to present the Comprehensive Annual Financial Report (CAFR) of the State of Alaska for the fiscal year ending June 30, 2000. This report has been prepared by the Department of Administration, Division of Finance. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the State. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the State. Statistical and demographic information are included to enable the reader to gain an understanding of the State's financial activities.

The report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, exhibits of general fund financial information, an organization chart, a list of the Executive Branch functions by department, and a list of the State's legislators. The financial section includes: the independent auditor's report on the general purpose financial statements; the general purpose financial statements; the accompanying notes to the financial statements that outline pertinent accounting and reporting policies as well as explain significant financial matters that are essential to full disclosure of the State's financial operations and condition; and the supplemental financial data section which includes the combining and individual fund and account group financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

THE REPORTING ENTITY AND ITS SERVICES

The funds and entities included in this Comprehensive Annual Financial Report are those for which the State is accountable based on criteria for defining the financial reporting entity prescribed by the Governmental Accounting Standards Board. These criteria include financial accountability, fiscal dependency, and legal standing. Based on these criteria the various funds, account groups, and entities shown in this report are considered as part of the reporting entity (see Note 1 in the Notes to the Financial Statements).

Blended component units, although legally separate entities, are, in substance, part of the State's operations and are included as part of the primary government. Accordingly, the Alaska Permanent Fund Corporation is reported as a nonexpendable trust fund, and the Public Employees', Teachers', National Guard and Naval Militia, and Judicial retirement systems are reported as pension trust funds of the State.

Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the State and to differentiate their financial position, results of operations, and cash flows from the State. With the exception of the Alaska Seafood Marketing Institute and the Alaska Tourism Marketing Council (whose financial activities are currently accounted for and reported within the State's general fund), the various public corporations established by State statute as well as the University of Alaska are reported as discretely presented component units (see Note 1 in the Notes to the Financial Statements for a list of the public corporations). Individual component unit financial reports may also be obtained from each of these organizations.

The State provides a range of services including education, health and social services, transportation, law enforcement, judicial, public safety, community and economic development, public improvements, and general administrative services.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The State's financial statements for governmental funds, expendable trust funds, and the agency funds have been prepared on a modified accrual basis of accounting, with revenues being recorded when measurable and available and expenditures being recorded when services or goods are received and the liabilities incurred. The proprietary, nonexpendable trust, and pension trust funds are reported on the accrual basis of accounting.

The State's system of internal controls over the accounting system has been designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgements by management.

In addition to internal controls, the State maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annually appropriated budget by the legislature. Annual operating budgets are required to be adopted through passage of appropriation bills (session laws) by the legislature with approval by the Governor. These laws also identify the source of funding for the budgeted amounts. Control is maintained at the departmental level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in an overrun of available balances are not released until budget revisions are approved or additional appropriations are made. Open encumbrances are reported as reservations of fund balance at June 30, 2000.

GENERAL FUND OPERATIONS

The well-being of the State of Alaska is best reflected in the operations of the general fund. General fund revenues for FY 00 were \$3,725.3 million, an increase of \$1,169.7 million compared to revenues of \$2,555.6 million for FY 99. Revenues by source for FY 00 are presented graphically in Exhibit 1 (page ix) and are compared to FY 99 in the following schedule (in millions):

<u>Revenue Source</u>	<u>FY 00</u>	<u>Percent</u>	<u>FY 99</u>	<u>Percent</u>
Taxes	\$ 1,132.5	30.5	\$ 761.6	29.8
Rents and Royalties	1,043.4	28.0	512.1	20.0
Interest & Investment Income	47.0	1.2	45.8	1.8
Federal	1,216.5	32.7	1,029.3	40.3
Miscellaneous	285.9	7.6	206.8	8.1
Total Revenue	<u>\$ 3,725.3</u>	<u>100.0</u>	<u>\$ 2,555.6</u>	<u>100.0</u>

The State's major source of revenue is petroleum related. In FY 00, petroleum revenue was 52.2 percent of all general fund revenues (see the following table). Over the last ten fiscal years, petroleum revenues have comprised a low of 41.8 percent (FY 99) to a high of 75.5 percent (FY 91) of revenues. The next largest source of revenues (nonpetroleum), as shown in the following schedule, is federal revenue, which makes up \$1,216.5 million, or 32.7 percent of revenues. Not all revenues that flow into the general fund are available to pay for unrestricted government activities. The primary exceptions are federal revenues provided for a specific purpose, and the \$301.1 million in rents and royalties constitutionally dedicated to the Alaska Permanent Fund.

The price of oil during FY 00 averaged \$23.27 per barrel at the West Coast, which is \$0.07 under the Department of Revenue Spring 2000 projection of \$23.34 per barrel and \$10.68 more than the average price of \$12.59 for FY 99. In addition, the crude oil production for Alaska North Slope and Cook Inlet for FY 00 was 1.065 million barrels per day which is an 11 percent decrease compared to 1.196 for FY 99 and a 48 percent decrease when compared to a high of 2.057 in FY 88.

The following schedule (in millions) shows that FY 00 petroleum revenues were \$1,943.4 million, an increase of \$874.3 million compared to FY 99 petroleum revenues of \$1,069.1.

	<u>FY 00</u>	<u>Percent</u>	<u>FY 99</u>	<u>Percent</u>
Petroleum Revenue				
Property Tax	\$ 45.0	1.2	\$ 48.8	1.9
Corporate Petroleum Income Tax	162.7	4.4	145.1	5.7
Severance Tax	702.7	18.9	371.1	14.5
Mineral Bonuses and Rents	4.1	0.1	25.6	1.0
Oil and Gas Royalties	1,028.9	27.6	478.5	18.7
Total Petroleum Revenue	1,943.4	52.2	1,069.1	41.8
Nonpetroleum Revenue				
Taxes	222.1	6.0	196.6	7.7
Licenses and Permits	69.2	1.8	63.9	2.5
Charges for Services	122.7	3.3	91.4	3.6
Fines and Forfeitures	46.2	1.2	12.5	0.5
Rents and Royalties	10.4	0.3	8.0	0.3
Interest and Investment Income	47.0	1.2	45.8	1.8
Other Revenue	47.8	1.3	39.0	1.5
Total Nonpetroleum Revenue	565.4	15.1	457.2	17.9
Federal Revenue	1,216.5	32.7	1,029.3	40.3
Total Revenues	<u>\$ 3,725.3</u>	<u>100.0</u>	<u>\$ 2,555.6</u>	<u>100.0</u>

The total expenditures charged against general fund appropriations during FY 00 amounted to \$3,553.8 million, an increase of \$128.6 million from FY 99. In addition, residual equity transfers to other funds of \$304.1 million, residual equity transfers to component units of \$205.4 million, operating transfers to other funds of \$120.3 million, and operating transfers to component units of \$180.2 million brings the total FY 00 disbursements from the general fund to \$4,363.8 million (FY 99 total disbursements, \$3,781.9). Expenditures by department are compared with the prior year in the following tabulation (in thousands):

<u>Department</u>	<u>FY 00</u>	<u>Percent</u>	<u>FY 99</u>	<u>Percent</u>
Office of the Governor	\$ 20,360	0.6	\$ 21,160	0.6
Administration	177,657	5.0	209,651	6.1
Law	29,058	0.8	29,720	0.9
Revenue	47,669	1.3	46,516	1.4
Education & Early Development	857,110	24.2	875,512	25.6
Health & Social Services	1,029,782	29.0	910,137	26.6
Labor & Workforce Development	86,883	2.4	48,385	1.4
Community & Economic Development	114,059	3.2	38,449	1.1
Military & Veterans' Affairs	28,441	0.8	33,593	1.0
Natural Resources	62,176	1.7	61,372	1.8
Fish & Game	71,852	2.0	71,135	2.1
Public Safety	87,795	2.5	87,713	2.6
Environmental Conservation	98,405	2.8	94,061	2.7
Corrections	150,397	4.2	152,210	4.4
Community & Regional Affairs	-	0.0	129,286	3.8
Transportation & Public Facilities	592,017	16.7	516,033	15.1
Legislature	31,702	0.9	32,367	0.9
Debt Service	14,757	0.4	15,513	0.4
Alaska Court System	53,721	1.5	52,354	1.5
Total Expenditures	<u>\$ 3,553,841</u>	<u>100.0</u>	<u>\$ 3,425,167</u>	<u>100.0</u>

As noted in the following table, general fund expenditures have gone down roughly 6.5 percent (in constant dollars) over the last five years. Excluding general fund capital projects' expenditures, per capita general fund expenditures in current and constant dollars (1995 base year and revised population estimates) for the last five years were as follows:

	<u>Current Dollars</u>	<u>Constant Dollars</u>
1996	\$ 4,772	\$ 4,642
1997	4,775	4,541
1998	4,675	4,373
1999	4,739	4,347
2000	4,786	4,339

In 1982, the voters of Alaska approved an amendment to the Alaska Constitution to control State spending. Article IX, Section 16, of the Alaska Constitution, establishes an annual appropriation limit of \$2.5 billion plus adjustments for changes in population and inflation since July 1, 1981. Within this limit, one-third is reserved for capital projects and loan appropriations. For FY 2001, the Office of Management and Budget estimates the limit to be approximately \$6.3 billion. The FY 2001 budget passed by the legislature was \$2.2 billion (unrestricted general fund revenues only), or \$4.1 billion less than the constitutional spending limit.

The State ended FY 00 with a deficit general fund balance in the amount of \$3.2 billion, and a deficit fund balance available for appropriation in the amount of \$3.7 billion. This deficit is due primarily to the general fund liability for the amounts appropriated from the Constitutional Budget Reserve Fund of \$3.8 billion (see Note 1.J.). Article IX, section 17(d), of the Alaska Constitution provides that amounts appropriated from the Constitutional Budget Reserve Fund are to be repaid.

The following shows the composition of the fund balance of the general fund for the fiscal years ending June 30, 2000, and June 30, 1999, as adjusted (in millions).

<u>Reserved</u>	<u>FY 00</u>	<u>FY 99</u>	<u>Change</u>
Encumbrances	\$ 125.2	\$ 148.6	\$ (23.4)
Nonliquid Assets	28.4	204.3	(175.9)
Other	33.7	16.3	17.4
Total Reserved	187.3	369.2	(181.9)
<u>Unreserved</u>			
Designated			
Continuing Appropriations	180.9	152.3	28.6
Other	197.9	135.3	62.6
Balance Available for Appropriation	(3,720.4)	(3,359.4)	(361.0)
Total Unreserved	(3,341.6)	(3,071.8)	(269.8)
Total Fund Balance	\$ (3,154.3)	\$ (2,702.6)	\$ (451.7)

DEBT ADMINISTRATION

The State of Alaska paid off the last general obligation bonds outstanding in fiscal year 2000. Moody's Investor's Service maintains an Aa2 rating for the State and Fitch Investor Services maintains an AA. Standard and Poor's Corporation no longer maintains a rating on the State.

In addition to direct appropriations from the general fund, the State has financed capital projects from the proceeds of general obligation bond sales. The following schedule is a summary of general bonded debt and debt service activities for the fiscal year ended June 30, 2000 (in millions).

<u>Activity</u>	<u>Bonds Outstanding</u>	<u>Interest to Maturity on Outstanding Bonds</u>	<u>Total Debt Service to Maturity</u>
Balance July 1, 1999	\$ 2.4	\$ 0.1	\$ 2.5
Less: debt service paid	2.4	0.1	2.5
Balance June 30, 2000	\$ 0.0	\$ 0.0	\$ 0.0

There were no new State of Alaska general obligation bonds authorized in FY 00. No authorized general obligation bonds remain unissued.

Other categories of debt are State-supported, guaranteed, moral obligation, revenue, agency, and agency collateralized debt. State-supported debt includes University of Alaska debt, lease-purchase financing obligations, and the share of municipal general obligation bonds issued for school construction that is reimbursable by the State. Guaranteed debt consists of revenue bonds issued by the Alaska Housing Finance Corporation for the purpose of purchasing mortgage loans made for residences of qualifying veterans. Moral obligation debt is State agency debt that is secured, in part, by a reserve fund to which is attached a discretionary replenishment provision. International Airports revenue bonds and some University debt constitute all State revenue debt. Agency debt has been issued by nine distinct State authorities or corporations and is secured by revenues generated from the use of bond proceeds or the assets for the agency issuing the bonds. Agency collateralized debt pledges, as security for the debt, loans or securities which are 100 percent insured or guaranteed by another party of superior credit standing.

CASH AND INVESTMENT MANAGEMENT

The State's cash is controlled by the Treasury Division in the Department of Revenue or by other administrative bodies as determined by law. All cash deposited in the State treasury is managed to achieve a particular target rate of return as determined by the investment objectives set for a given fund. Cash in excess of the amount needed to meet current expenditures is invested pursuant to AS 37.10.070 and AS 37.10.071 which mandates that investments shall be made with the judgement and care exercised by an institutional investor of ordinary professional prudence, discretion, and intelligence under the circumstances then prevailing.

Treasury has established an array of investment pools with varying investment horizons and risk profiles. Equity and fixed income investments are managed in a pooled environment unless required by statute or bond resolution to be held separately. Commingled investment pools maximize earnings potential, provide economies-of-scale savings of time and dollars, and allow smaller funds to participate in investment opportunities that would otherwise be unavailable to them. Rather than each participant (fund) buying identical individual securities, larger quantities of securities can be purchased at one time, reducing the operating costs for manager's time and number of transactions. A fund's equity ownership in a pool is based on the number of shares held by the fund.

A majority of the State's funds participate in the General Fund and Other Nonsegregated Investments (GeFONSI) pool. Investment objectives for this pool include limited exposure to principal loss, a conservative balance of current income with principal safety within moderate risk tolerance, minimal inflation protection, and high liquidity. Under the Department of Revenue, Treasury Division's current investment policy, holdings may include collateralized repurchase agreements; commercial paper; certificates of deposit, and bankers acceptances; U.S. Treasury obligations, including bills, notes and bonds; other full faith and credit obligations of the U.S. Government; securities issued or guaranteed by agencies and instrumentalities of the U.S. Government; obligations of foreign governments denominated in U.S. dollars; corporate debt meeting credit quality standards; and, asset-backed and mortgaged-backed securities. For selected State funds, Treasury manages the invested assets in other investment pools designed to fit each fund's particular investment objectives.

The investment objectives established by the Alaska State Pension Investment Board for the retirement trust funds (Public Employees', Teachers', Judicial, and the Alaska National Guard and Alaska Naval Militia Retirement Systems) include achieving top quartile investment returns on a risk-adjusted basis while limiting total risk to that of an average public sector pension plan over the long term. The trust funds hold shares in one or more investment pools that contain domestic and international fixed income and equity securities, and real estate and venture capital investments. The Public Employees' and Teachers' Retirement Trust Funds also directly hold mortgage-related assets.

CASH FLOW

From the time oil began flowing through the Trans-Alaska Pipeline in the late 1970's, the State has been in the enviable position of having sizeable sums of cash flowing into the State treasury. This cash funded a steadily growing State operating budget, large and small annual capital budgets, and the State's permanent fund.

In more recent years, the reality of declining oil revenues and the corresponding decrease in available cash has become more apparent. This has been reflected in more modest State operating and capital budgets. Also associated with declining revenues, though much less understood, is a cash flow situation that could lead to a cash deficiency for the State. The possibility of a cash flow deficiency grows with each passing year.

Prior to 1985, most unrestricted revenues flowed directly into the State's general fund where they were available to pay day-to-day costs of operating State government. This is no longer the case. Over time, the legislature has established more than 50 cash pools either as subfunds of the general fund or other separate cash pools. In 1990 the legislature appropriated the entire general fund balance available for appropriation at the end of FY 91 to a statutory budget reserve fund (SBRF). By a vote of the people in 1990, the Alaska Constitution was amended to establish a separate constitutional budget reserve fund (CBRF) into which oil tax settlement revenues are deposited. The effect of these actions diverted cash historically destined for the general fund to other cash pools that were not available to pay day-to-day State operating costs.

Also contributing to the potential for a cash deficiency is the fact that the inflow of unrestricted revenues does not mirror the outflow of cash expenditures. Revenues tend to flow in at a generally consistent rate. Expenditures, however, are cyclic with high and low periods. The first quarter expenditures of each fiscal year are generally much higher than revenues for the same period. Clearly, if the general fund (excluding the subfunds) does not have a large cash balance at the beginning of the fiscal year or if other sources of funds are not available, the State faces the possibility of a cash deficiency before the end of the first quarter.

In the past eight budget cycles, the legislature has addressed the possibility of a revenue shortfall. It has included language in the appropriation act permitting the executive branch to borrow cash from the statutory and constitutional budget reserve funds in the event expenditures exceeded revenues. In FY 93 and again in FY 96, funds were taken from the SBRF to balance FY 93 and FY 96 revenues and expenditures. Cash was borrowed from the CBRF in FY 94, FY 95, FY 96, FY 98, FY 99, and FY 00 to balance revenues and expenditures.

CONSTITUTIONAL BUDGET RESERVE FUND

In 1990, the people of Alaska voted to amend the Alaska Constitution to establish a separate constitutional budget reserve fund (CBRF) into which oil tax settlement revenues are deposited. The CBRF is reported in the fiduciary fund types as an expendable trust fund. At June 30, 2000, assets of the CBRF were \$6.7 billion, of which \$2.8 billion is cash and investments, \$3.8 billion is due from the general fund (see Note 1.J.), and the balance is other receivables. The fund balance of the CBRF at June 30, 2000, was \$6.6 billion.

PUBLIC EMPLOYEES' AND TEACHERS' RETIREMENT SYSTEMS PENSION FUNDS

Total assets at June 30, 2000, of the two largest pension funds, the Public Employees' (PERS) and Teachers' (TRS) Retirement Systems' funds, were \$8.8 billion and \$4.5 billion respectively. The Schedule of Funding Progress for PERS and TRS as of the June 30, 1999, actuarial valuations, indicated the actuarial accrued liabilities were fully funded. Further information on these and other pension funds, including the Supplemental Benefits System and Deferred Compensation plans, can be found in notes 4, 5, and 6 to the financial statements.

ALASKA PERMANENT FUND

The Alaska Permanent Fund is an asset of the State of Alaska that is managed by the Alaska Permanent Fund Corporation, an instrumentality of the State of Alaska.

In 1976 the Alaska Constitution was amended to provide that:

At least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received by the State shall be placed in a Permanent Fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for Permanent Fund investments. All income from the Permanent Fund shall be deposited in the general fund unless otherwise provided by law.

Subsequent legislation increased the Permanent Fund's share to 50 percent for rents and royalties on mineral leases issued after December 1, 1979, and for bonuses on mineral leases issued after February 15, 1980.

The Permanent Fund is made up of two parts, principal and earnings. Principal is the main body of the trust. At June 30, 2000, this amounted to \$20.0 billion. The sources of Fund principal were as follows: \$6.7 billion in constitutionally-dedicated oil revenues; \$6.2 billion of Fund earnings added to principal for inflation-proofing; and \$7.1 billion in additional deposits approved by special legislative appropriation.

Permanent Fund earnings, from inception through June 30, 2000, have amounted to \$23.5 billion. Of this amount, \$9.8 billion has been paid out for dividends, \$6.2 billion has been added to principal for inflation-proofing, \$4.2 billion has been added to principal by special appropriation, \$0.3 billion has been paid out to the general fund, and \$3.0 billion remains in the Fund in the earnings reserve account.

RISK MANAGEMENT

As more fully detailed in Note 9.C., the State's risk management program provides a first level of self-insured retention supplemented by further insurance coverage. The State's risk management program covers all State agencies and component units, except for the Alaska Housing Finance Corporation, Alaska Railroad Corporation, and the University of Alaska who administer their own programs. Further, there is separate coverage provided by the individual component units such as the Alaska Industrial Development and Export Authority for certain individual projects.

AUDITS

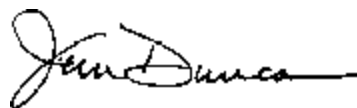
The principal auditor of the State's reporting entity is the Division of Legislative Audit. The audit of the CAFR was conducted in accordance with generally accepted auditing standards (GAAS), and their independent auditor's report precedes the General Purpose Financial Statements.

In addition to the annual audit of the State's CAFR, the State is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a schedule of federal financial assistance, the auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs will be published at a later date under separate cover by the Division of Legislative Audit.

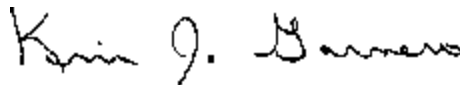
ACKNOWLEDGMENTS

We wish to express our sincere appreciation to the many individuals whose dedicated efforts have made this report possible. The preparation of this report could not have been accomplished without the professionalism and dedication demonstrated by the financial and management personnel of each State agency, each component unit, and the dedicated staff within the Division of Finance.

Sincerely,



Jim Duncan
Commissioner
Department of Administration

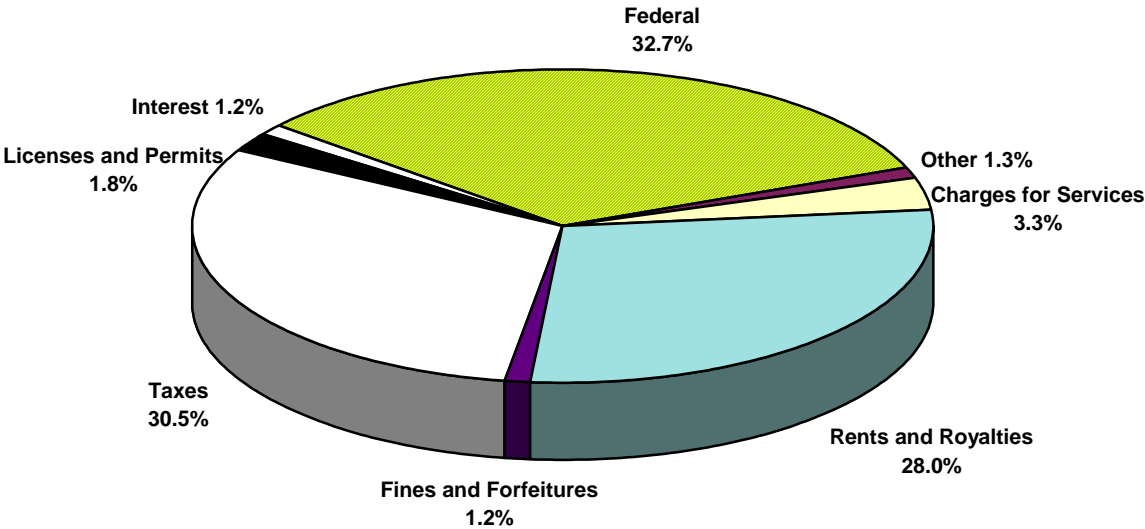


Kim J. Garner, CPA
Director
Division of Finance

**STATE OF ALASKA
GENERAL FUND
REVENUE SOURCES**

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

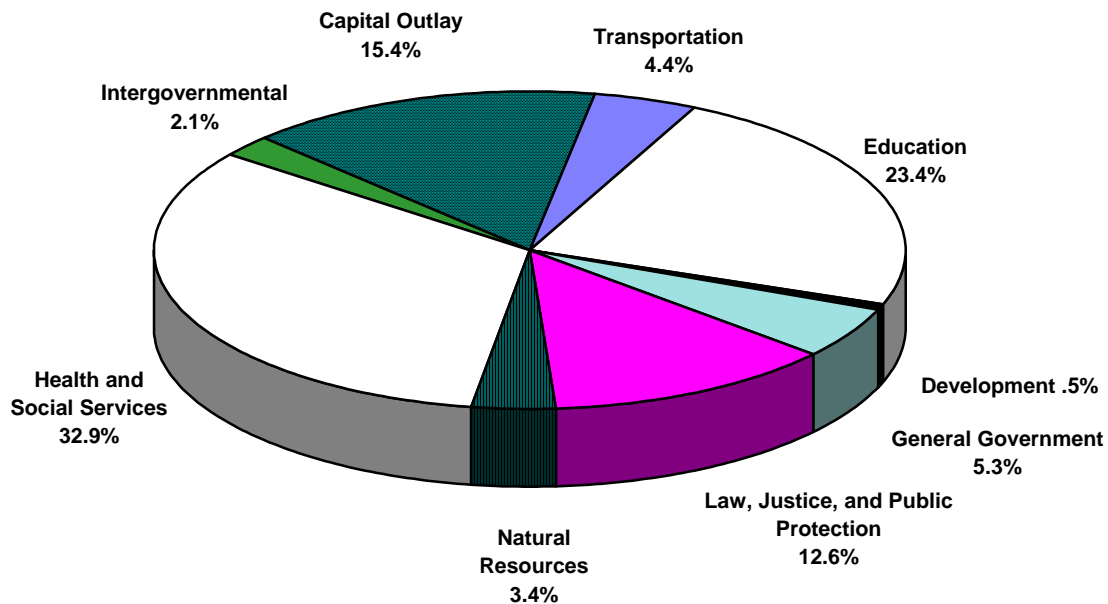
\$3,725
(Millions)



STATE OF ALASKA GENERAL FUND EXPENDITURES BY FUNCTION

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

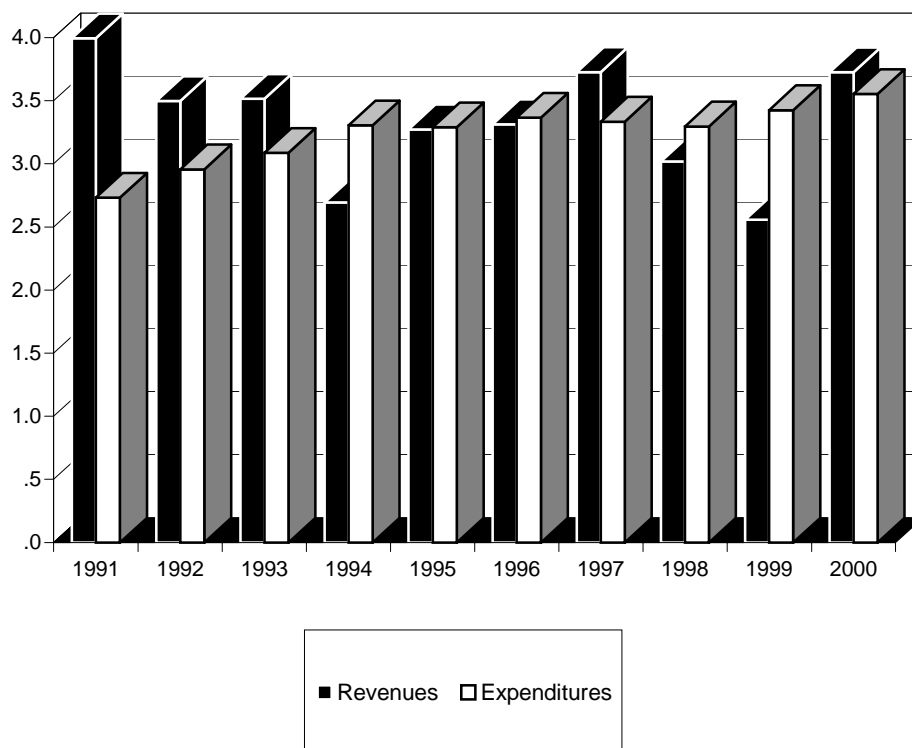
\$3,554
(Millions)



STATE OF ALASKA GENERAL FUND EXPENDITURES AND REVENUES

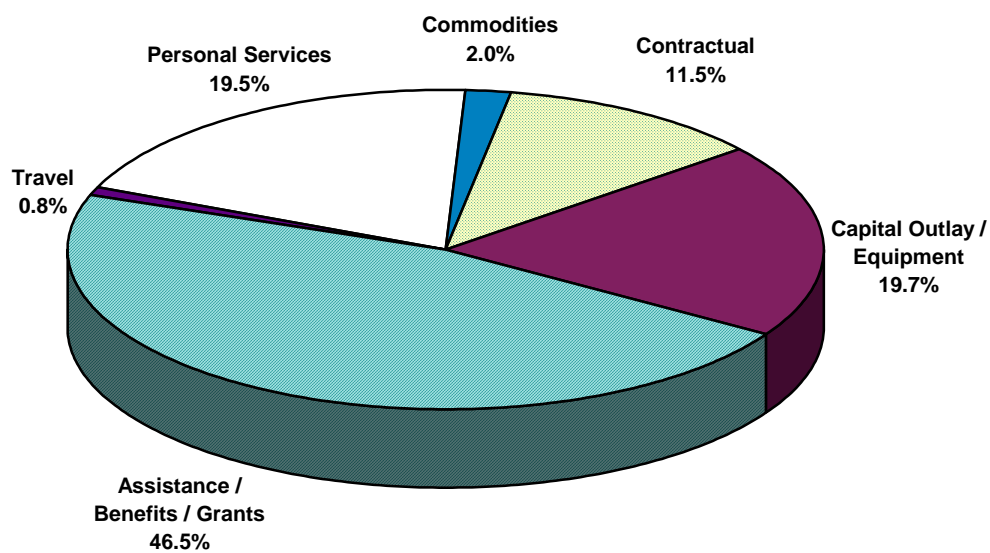
TEN YEAR COMPARISON
FOR THE FISCAL YEARS 1991 THROUGH 2000

(Stated in Billions)



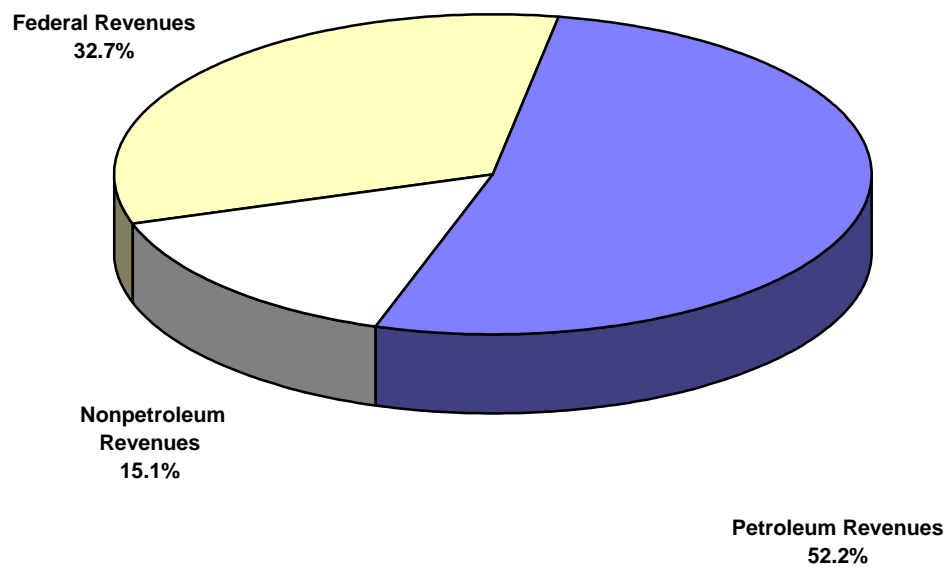
STATE OF ALASKA GENERAL FUND EXPENDITURES BY ACCOUNT

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

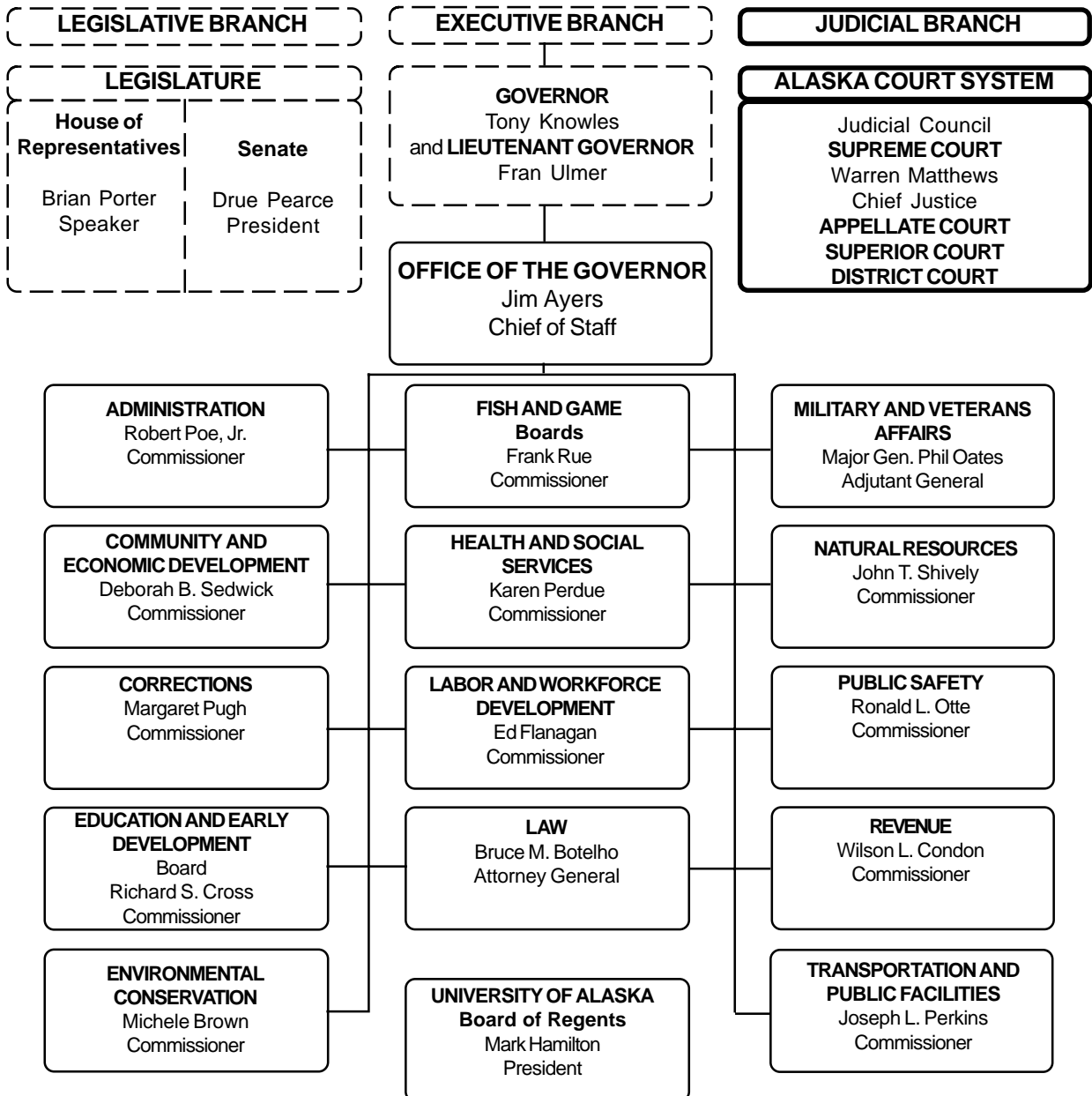


STATE OF ALASKA GENERAL FUND REVENUES

FOR THE FISCAL YEAR ENDED JUNE 30, 2000



Organization Chart



— — — Elected by popular vote (includes Lieutenant Governor, elected on same ticket as Governor).

————— Justices and Judges of the Courts nominated by Judicial Council, selected by Governor and thereafter subject to voter approval.

————— Department Heads appointed by the Governor and confirmed by the Legislature.

FUNCTIONS OF STATE DEPARTMENTS

OFFICE OF THE GOVERNOR

The Governor is the Chief Executive of the State. The Office of the Governor has the overall responsibility for coordinating the activities of state agencies to ensure that all programs are consistent with Alaska's goals and objectives.

ADMINISTRATION

Services to state agencies: Personnel, Labor Relations, Retirement and Benefits, Finance (payroll, accounts and disbursements), General Services (purchasing, supply, distribution and mail, space allotment), Risk Management, Information Technology Group (telecommunications and computer services). Services to the Public: Senior Services (Alaska Commission on Aging), Longevity Bonus (Pioneer's Homes); Motor Vehicles; Office of Public Advocacy; Public Defender Agency; Alaska Public Offices Commission; Oil and Gas Commission; Alaska Rural Communications System; Alaska Public Broadcasting Commission; and the Office of Tax Appeals.

COMMUNITY AND ECONOMIC DEVELOPMENT

Provides consumer protection through the regulation of banking, securities and corporations, insurance, professional occupations and business licensing.

Promotes economic development in the state through domestic and international promotion of tourism, Alaska seafood, timber, minerals, and other products, and encouragement of business and industrial development. Administers several loan programs.

Also includes: the Alaska Seafood Marketing Institute, Regulatory Commission of Alaska, Industrial Development and Export Authority, Aerospace Development Corporation, Science and Technology Foundation, and Railroad Corporation.

CORRECTIONS

The Department of Corrections is responsible for public safety through the administration of correctional services including: twelve prisons and jails which provide secure incarceration and appropriate rehabilitation programs for felons and misdemeanants; community residential centers; supervision and case management of probationers and parolees in the community; and oversight of 15 small community jails. Also included in the department is the Alaska Board of Parole, a quasi-judicial Board which makes all parole related decisions.

EDUCATION AND EARLY DEVELOPMENT

The Department of Education and Early Development is responsible for the development of lifelong learners. The State Board of Education and Early Development is the executive board of the department. The board develops educational policy, promulgates regulations governing education, appoints the Commissioner of Education and Early Development with the Governor's approval, and is the channel of communication between state government and the public for educational matters. Education policies are determined by the board and administered by the Commissioner through department divisions. Programs administered include: public school funding, early child care, teacher certification, and student assessment. State operated schools and

programs include: Alyeska Central School - the state's correspondence program, Mt. Edgecumbe High School - the state's secondary boarding school program, and the Alaska Vocational Technical Center - the state's adult vocational training center. The department also administers the state libraries, archives, records and museum services, provides grants to the arts community, and provides loans to post-secondary students through the Alaska Student Loan Corporation.

ENVIRONMENTAL CONSERVATION

The Department of Environmental Conservation is the state regulatory agency responsible for protection of public health and the environment through safe handling of oil hazardous substances, air and water quality, safe drinking water and wastewater, and food safety and sanitation in public facilities. Through partnerships with Alaska citizens, businesses, and communities, the department works to safely manage and reduce pollution and hazards. DEC services include financial and technical assistance to communities for upgrading water, sewage and solid waste, developing outreach methods to help Alaskans understand their role in protecting health and managing environmental quality, and permitting based on risk to public health and environment. The department also offers assistance to Alaska cities to meet health-based standards for air quality, to position oil spill response equipment in communities, and to develop environmental education programs.

FISH AND GAME

The Department of Fish and Game is mandated to manage, protect, maintain, improve and extend the fish, game, and aquatic plant resources of Alaska in the interest of the economy and general well-being of the State. The Boards of Fisheries and Game adopt regulations to conserve and develop these resources. The commissioner and the department conduct management and research functions necessary to support these goals. Includes the Commercial Fisheries Entry Commission, a quasi-judicial agency which promotes resource conservation and sustained yield management by regulating entry into Alaska's commercial fisheries.

HEALTH AND SOCIAL SERVICES

Responsible for administration of the majority of health and social service programs in the state, impacting virtually every Alaskan. Health programs include medical assistance for Alaska's poor through the Medicaid program and Denali Kid Care (children's health insurance program), and public health programs such as nursing services, vital statistics, community health and emergency medical services, infectious disease control, the State Medical Examiner's office (coroner services), laboratories, and maternal, child and family health services. Social services programs include temporary cash assistance, food stamps, child protection, foster care, child residential care, juvenile justice, mental health and developmental disabilities services, and substance abuse prevention and treatment services. The department also administers the certificate of need (CON) program that requires application and approval of construction of ambulatory surgery centers over \$1 million.

LABOR AND WORKFORCE DEVELOPMENT

The Department of Labor and Workforce Development shall foster and promote the welfare of the wage earners of the state, to improve

working conditions and advance their opportunities for profitable employment. Responsible for employment security, unemployment insurance, adult basic education, job training and work readiness, workers' compensation, the Fisherman's Fund, and vocational rehabilitation programs; enforces laws and regulations dealing with occupational safety and health, mechanical inspections, and wage and hour administration; serves as the labor relations agency for public employment in the state; and collects, analyzes, and releases labor market and population statistics.

LAW

Responsible for prosecution and conviction of criminal offenders in Alaska to ensure safe communities. Assists law enforcement agencies with criminal investigations, filing misdemeanor and felony charges; serves as legal advisor to grand juries; and represents the state in all phases of criminal trial and appellate proceedings. Works in partnership with executive, legislative, and judicial agencies by providing legal advice and representing the state in all actions in which it is a party. Such actions include protecting Alaska's children and youth by handling child abuse, neglect, and delinquency cases expeditiously; resolving questions of state versus federal control of natural resources; ensuring that the state receives its correct share of oil and gas taxes and royalties; collecting money owed to the state by businesses and individuals for child support, fines and other unpaid obligations; and defending the state against claims for personal injury and other damages.

MILITARY AND VETERANS AFFAIRS

The Department of Military and Veterans Affairs (DMVA) is responsible for the Alaska Army and Air National Guard, the Alaska Naval Militia, State Defense Force, Alaska Military Youth Academy, and the Division of Emergency Services.

The Commissioner of DMVA is also the Adjutant General of the state and as such commands the Alaska National Guard. He administers federal funds for maintaining the Alaska National Guard in combat readiness in the event of a national emergency or war. The Alaska National Guard has over 4,500 personnel located in more than 90 communities. The Alaska National Guard is under the day-to-day command of the Governor and as such may be used in support of counter-narcotics operations, disaster assistance and to counter civil unrest. The Alaska Naval Militia is composed of individual U.S. Navy reservists that are available to the Governor in times of emergency. Likewise, the State Defense Force, made up of individuals with prior military training, is available to the Governor.

The Commissioner's office also serves as the focal point for issues affecting Alaska's veteran population. It administers veterans service officer programs that outreach to individual veterans to assist them in maximizing their federal veterans entitlements.

The Alaska Military Youth Academy provides a five month military style alternative high school experience for volunteer applicants who are at risk of not achieving a productive childhood. During the two sessions per year, the program provides a structured education in a variety of disciplines; life coping skills, educational excellence, skills training, responsible citizenship, leadership/ability to follow, health hygiene, sex education, physical fitness, and community service. This structured educational effort is targeted to meet the goals of the program, to turn the youth into confident and contributing citizens of their state and their local communities.

The Division of Emergency Services is responsible for state emergency preparedness and response. It seeks to minimize the loss of life and property in the event of natural or man-made disasters by planning and assisting as well as administering federal and state grants and loans and managing relief efforts. It maintains the State

Emergency Coordination Center in Anchorage that is the command, control and communications center for state and federal response to disasters and significant emergencies.

NATURAL RESOURCES

Responsible for the utilization, development, and conservation of the surface and subsurface natural resources belonging to the state except for fish and game. These include approximately 106 million acres of uplands and 69 million acres of tidelands, shorelands, and submerged lands and about 40,000 miles of coastline. The strategic missions include: develop, conserve, and enhance the natural resources of the State of Alaska; raise public awareness that Alaska's natural resources are the basic asset of our economy; stimulate and encourage resource-based, value-added economic activity while conserving Alaska's wild and scenic values; implement efficiencies and economies in government; deliver essential services; and stimulate local initiative and personal responsibility. Operationally, the department manages eight divisions located in 22 Alaska communities, the Joint Pipeline Office, and the Mental Health Land Trust Office and is responsible for the two largest oil and gas fields in North America; a park system that contains one-third of all the state park lands in the United States; 40 percent of the nation's fresh water; fire suppression management over 134 million acres; forest resource management in two state forests totalling 2 million acres; mineral management involving 45,000 mining claims; and an agricultural program that encompasses 560 farms.

PUBLIC SAFETY

Responsible for enforcement of state laws including criminal and fish and wildlife protection laws, fire prevention, search and rescue, highway safety; compensating victims of violent crime; providing forensic crime laboratory services to law enforcement statewide; certifying police proficiency; providing basic police academy and specialized training to municipal and state law enforcement agencies; oversight of the Village Public Safety Officer Program; and assisting victims of domestic violence and sexual assault.

REVENUE

Administer and enforce tax and charitable gaming laws; collect, invest, and manage state funds and employee pension trust funds; administer the Permanent Fund Dividend Program, the Shared Taxes Program, and the Child Support Enforcement Program; administer licensing programs mandated by statute; issue state general obligation, revenue and lease debt, and authorize certain agency debt. Other state entities under the auspices of the Department of Revenue are: the Alaska Permanent Fund Corporation, the Alaska Housing Finance Corporation, the Alaska Municipal Bond Bank Authority, the Alaska Mental Health Trust Authority, and the Alaska State Pension Investment Board.

TRANSPORTATION AND PUBLIC FACILITIES

Responsible for the planning, research, design, construction, maintenance, operation, and protection of all state transportation systems and public facilities. This includes approximately 250 state-owned airports and seaplane bases, 6,000 miles of state roads, 700 buildings ranging from maintenance shops to state office complexes, and 75 ports and harbors. In addition, the department owns and operates the Alaska Marine Highway System, serving 32 Alaskan communities with connections to Bellingham and Prince Rupert. The department also owns and operates the State Equipment Fleet which provides full maintenance support and replacement activities for all departments and state agencies, including 7,500 light and heavy duty vehicles and attachments.

ALASKA STATE LEGISLATURE
TWENTY-FIRST LEGISLATURE - SECOND SESSION
2000

HOUSE OF REPRESENTATIVES

NAME	PARTY	DISTRICT	NAME	PARTY	DISTRICT
Austerman, Alan	(R)	6	Kapsner, Mary	(D)	39
Barnes, Ramona	(R)	22	Kemplen, J. Allen	(D)	16
Berkowitz, Ethan	(D)	13	Kerttula, Beth	(D)	3
Brice, Tom	(D)	30	Kohring, Vic	(R)	26
Bunde, Con	(R)	18	Kookesh, Albert	(D)	5
Cissna, Sharon	(D)	21	Kott, Pete	(R)	24
Coghill, John, Jr.	(R)	32	Masek, Beverly	(R)	28
Cowdery, John	(R)	17	Morgan, Carl	(R)	36
Croft, Eric	(D)	15	Moses, Carl	(D)	40
Davies, John	(D)	29	Mulder, Eldon	(R)	23
Davis, Gary	(R)	8	Murkowski, Lisa	(R)	14
Dyson, Fred	(R)	25	Ogan, Scott	(R)	27
Foster, Richard	(D)	38	Phillips, Gail	(R)	7
Green, Joe	(R)	10	Porter, Brian	SPEAKER (R)	20
Grussendorf, Ben	(D)	2	Rokeberg, Norman	(R)	11
Halcro, Andrew	(R)	12	Sanders, Jerry	(R)	19
Harris, John	(R)	35	Smalley, Harold	(D)	9
Hudson, Bill	(R)	4	Therriault, Gene	(R)	33
James, Jeannette	(R)	34	Whitaker, Jim	(R)	31
Joule, Reggie	(D)	37	Williams, Bill	(R)	1

HOUSE FINANCE COMMITTEE

Mulder (Co-Chair)
Therriault (Co-Chair)
Bunde (Vice-Chair)
Austerman, Davies, Davis, Foster, Grussendorf,
Moses, Phillips, Williams

PRESIDING OFFICER

Brian Porter

SENATE

NAME	PARTY	DISTRICT	NAME	PARTY	DISTRICT
Adams, Al	(D)	S	Lincoln, Georgianna	(D)	R
Donley, Dave	(R)	J	Mackie, Jerry	(R)	C
Ellis, Johnny	(D)	H	Miller, Mike	(R)	Q
Elton, Kim	(D)	B	Parnell, Sean	(R)	I
Green, Lyda	(R)	N	Pearce, Drue	PRESIDENT (R)	F
Halford, Rick	(R)	M	Phillips, Randy	(R)	L
Hoffman, Lyman	(D)	T	Taylor, Robin	(R)	A
Kelly, Pete	(R)	P	Torgerson, John	(R)	D
Kelly, Tim	(R)	K	Ward, Jerry	(R)	E
Leman, Loren	(R)	G	Wilken, Gary	(R)	O

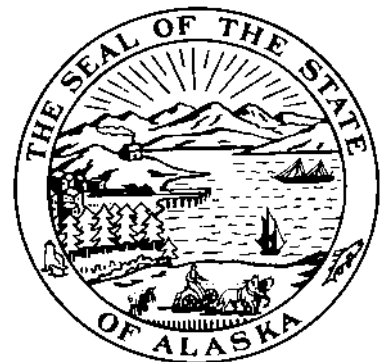
SENATE FINANCE COMMITTEE

Parnell (Co-Chair)
Torgerson (Co-Chair)
Donley (Vice-Chair)
Adams, Green, Pete Kelly, Leman, Phillips,
Wilken

PRESIDING OFFICER

Drue Pearce

Financial Section





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P.O. Box 113300
Juneau, AK 99811-3300
(907) 465-3830
FAX (907) 465-2347
Internet e-mail address:
legaudit@legis.state.ak.us

Independent Auditor's Report

Citizens of the State of Alaska:

We have audited the accompanying general purpose financial statements of the State of Alaska, as of and for the fiscal year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the State of Alaska management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of certain entities, which represent the indicated percent of total assets and revenues, respectively, of the Trust and Agency Funds (84% and 84%), and the Component Unit Funds (100% and 100%). Those financial statements were audited by other auditors whose reports have been furnished to us. Our opinion on the general purpose financial statements, insofar as it relates to the amounts included for those entities, is based on the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe our audit and the reports of the other auditors provide a reasonable basis for our opinion.

As disclosed in Note 1H in the Notes to the Financial Statements, the General Fixed Asset Account Group is not reported in accordance with generally accepted accounting principles, primarily because most state owned buildings are reported at insured value rather than historical cost. The amount reported for buildings at June 30, 2000 is \$1.9 billion or 66% of total reported general fixed assets.

In our opinion, based on our audit and the reports of other auditors, except for the effect of the departure from generally accepted accounting principles as discussed in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Alaska as of June 30, 2000, and the results of its operations and the cash flows of its proprietary and nonexpendable trust funds for the fiscal year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the State of Alaska. Such information has been subject to the auditing procedures applied in the audit of the general purpose financial statements and in our opinion, based on our audit and the reports of other auditors, except for the matters noted above, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The introduction section and the statistical section listed in the table of contents were not audited by us and, accordingly, we express no opinion on them.

Reports in accordance with *Government Audit Standards*, and *Audits of States, Local Governments, and Non-Profit Organizations* on the State's internal control structure and on compliance with state and federal laws and regulations will be issued in a separate report.

A handwritten signature in black ink that reads "Pat Davidson". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

Pat Davidson, CPA
Legislative Auditor

November 28, 2000

General Purpose Financial Statements



STATE OF ALASKA
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2000
(Stated in Thousands)

STATEMENT 1.01

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS AND OTHER DEBITS				
ASSETS:				
Cash and Investments	\$ 573,418	\$ 71,611	\$	\$ 99
Accounts Receivable - Net	417,389	6,159		3
Interest and Dividends Receivable	702			
Due from Other Funds	140,589	476		
Due from Component Units	63,749			
Due from Primary Government				
Loans, Notes, and Bonds Receivable	15,527	241		
Inventories	10,926			
Reposessed Property				
Fixed Assets (Net, where applicable, of accumulated depreciation)				
Net Investment in Direct Financing Leases				
Other Assets	13,517	798		
OTHER DEBITS:				
Amount Available and to be Provided for Retirement of General Long-Term Debt				
TOTAL ASSETS AND OTHER DEBITS	\$ 1,235,817	\$ 79,285	\$ 0	\$ 102
LIABILITIES, EQUITY, AND OTHER CREDITS				
LIABILITIES:				
Warrants Outstanding	\$ 67,629	\$ 1,915	\$	\$
Accounts Payable	278,372	5,086		
Due to Other Funds	3,896,167	10,279		
Due to Component Units	104,438			
Due to Primary Government				
Interest Payable				
Deferred Revenues, Advances, and Prepayments	40,533	7,149		
Notes and Bonds Payable				
Revenue Bonds Payable				
Other Long-Term Debt				
Other Liabilities	2,962	313		
TOTAL LIABILITIES	4,390,101	24,742	0	0
EQUITY AND OTHER CREDITS:				
Investment in General Fixed Assets				
Contributed Capital				
Net Unrealized Gains on Investments				
Retained Earnings:				
Reserved				
Unreserved				
Fund Balances:				
Reserved for Encumbrances	125,203	31,371		
Reserved for Nonexpendable Trust Corpus				
Reserved for Employees' Pension Benefits				
Reserved for Employees' Postemployment Healthcare Benefits				
Reserved for Other	62,075	9		
Unreserved, Designated	378,862	11,457		102
Unreserved, Undesignated (See Note 1.M.)	(3,720,424)	11,706		
TOTAL EQUITY AND OTHER CREDITS	(3,154,284)	54,543	0	102
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 1,235,817	\$ 79,285	\$ 0	\$ 102

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals Primary Government (Memorandum Only)	Component Units
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	June 30, 2000	
\$ 333,150	\$ 133,587	\$ 46,990,437	\$	\$	\$ 48,102,302	\$ 2,904,736
10,651	263	325,928			760,393	77,521
34,122		191,242			226,066	45,063
246	7,967	5,061,017			5,210,295	
					63,749	123,292
						511,244
254,931		9,444			280,143	3,586,647
	4,227				15,153	7,412
1,097					1,097	6,094
384,064	80,687		2,908,788		3,373,539	1,772,951
						460,897
7,019	614				21,948	613,031
				287,284	287,284	
\$ 1,025,280	\$ 227,345	\$ 52,578,068	\$ 2,908,788	\$ 287,284	\$ 58,341,969	\$ 10,108,888
\$ 1,505	\$ 1,464	\$ 5,238	\$	\$	\$ 77,751	\$ 1,738
1,286	62,501	456,226			803,471	299,252
20,805	1,787	1,282,518			5,211,556	
		450,933			555,371	125,292
						1,751
3,064	17				3,081	42,520
2,344		7,285			57,311	102,971
	1,900				1,900	3,116,518
227,776					227,776	778,227
	3,496			287,284	290,780	34,939
199	2,468	57,793			63,735	391,263
256,979	73,633	2,259,993	0	287,284	7,292,732	4,894,471
			2,908,788		2,908,788	839,635
409,455	75,096				484,551	2,138,080
						332
11,750	2,771				14,521	25
347,096	75,845				422,941	1,525,452
					156,574	
		20,299,161			20,299,161	368,956
		11,749,258			11,749,258	
		3,345,482			3,345,482	
		14,924,174			14,986,258	267,482
					390,421	60,009
					(3,708,718)	14,446
768,301	153,712	50,318,075	2,908,788	0	51,049,237	5,214,417
\$ 1,025,280	\$ 227,345	\$ 52,578,068	\$ 2,908,788	\$ 287,284	\$ 58,341,969	\$ 10,108,888

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Governmental Fund Types	
	General	Special Revenue
REVENUES:		
Taxes	\$ 1,132,510	\$ 32,992
Licenses and Permits	69,233	24,854
Charges for Services	122,670	50
Fines and Forfeitures	46,179	112
Rents and Royalties		
General Fund	742,335	40,299
Alaska Permanent Fund	301,081	
Constitutional Budget Reserve Fund		
Contributions		
Interest and Investment Income	47,054	941
Net Increase (Decrease) in the Fair Value of Investments		
Federal	1,216,447	10,374
Other	47,799	707
TOTAL REVENUES	3,725,308	110,329
EXPENDITURES:		
Current Operating		
General Government	187,587	1,439
Education	833,054	43,836
Health and Social Services	1,169,493	570
Law, Justice, and Public Protection	448,492	13,564
Natural Resources	120,943	23,819
Development	18,634	
Transportation	156,117	
Capital Outlay	545,788	3,557
Debt Service		
Intergovernmental	73,733	50
TOTAL EXPENDITURES	3,553,841	86,835
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	171,467	23,494
OTHER FINANCING SOURCES (USES):		
Operating Transfers (Out to) Other Funds	(120,265)	
Operating Transfers (Out to) Component Units	(180,252)	(9,163)
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds	6,099	8,397
Operating Transfers In from Component Units	14,301	
TOTAL OTHER FINANCING SOURCES (USES)	(280,117)	(766)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(108,650)	22,728
FUND BALANCES, BEGINNING OF YEAR	(2,702,554)	36,451
Residual Equity Fund Transfers (to) Other Funds	(304,119)	(3,394)
Residual Equity Fund Transfers (to) Component Units	(205,382)	
Residual Equity Fund Transfers from Other Funds	105	
Residual Equity Fund Transfers from Component Units	165,144	
Prior Period Adjustment	1,172	(1,242)
FUND BALANCES, END OF YEAR	\$ (3,154,284)	\$ 54,543

The notes to the financial statements are an integral part of this statement.

Governmental Fund Types		Fiduciary Fund Types	Totals Primary Government (Memorandum Only) Year Ended	Component Units
Debt Service	Capital Projects	Expendable Trust	June 30, 2000	
\$	\$	\$ 231,260	\$ 1,396,762	\$
		256	94,087	
		64	122,976	
			46,355	
			782,634	
		7,071	301,081	
		183,638	7,071	
		382,849	183,638	
		11,109	430,844	8,913
		1,309	11,109	
		8,278	1,228,130	
			56,784	
0	0	825,834	4,661,471	8,913
		11,039	200,065	815
		5	876,895	
		1,193,060	2,363,123	
		6,039	468,095	
		6,179	150,941	
			18,634	
		33,327	156,117	
2,433			582,672	
			2,433	6,819
			73,783	
2,433	0	1,249,649	4,892,758	7,634
(2,433)	0	(423,815)	(231,287)	1,279
			(120,265)	
			(189,415)	(1,747)
1,765		1,281,286	1,297,547	(746)
			14,301	1,747
1,765	0	1,281,286	1,002,168	(746)
(668)	0	857,471	770,881	533
668	102	7,651,552	4,986,219	34,669
			(307,513)	
		(100,000)	(305,382)	
		258	363	
			165,144	
			(70)	
\$ 0	\$ 102	\$ 8,409,281	\$ 5,309,642	\$ 35,202

STATE OF ALASKA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL AND SPECIAL REVENUE FUND TYPES
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.03

	General Fund		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES:			
Unrestricted			
Taxes	\$ 714,212	\$ 1,102,637	\$ 388,425
Licenses and Permits	66,748	69,232	2,484
Federal	2,000	958	(1,042)
Charges for Services	346,407	355,271	8,864
Fines and Forfeitures	40,108	46,179	6,071
Rents and Royalties			
General Fund	320,778	700,003	379,225
Alaska Permanent Fund	273,136	273,136	0
Interest and Investment Income	52,647	52,692	45
Other	31,206	46,599	15,393
TOTAL UNRESTRICTED	1,847,242	2,646,707	799,465
Restricted			
Federal	3,183,027	1,182,547	(2,000,480)
Interagency Receipts	488,432	333,238	(155,194)
Other	1,180	1,438	258
TOTAL RESTRICTED	3,672,639	1,517,223	(2,155,416)
TOTAL REVENUES	5,519,881	4,163,930	(1,355,951)
EXPENDITURES:			
Current Operating			
General Government	532,536	515,512	17,024
Education	909,608	888,327	21,281
Health and Social Services	1,304,517	1,227,987	76,530
Law, Justice, and Public Protection	516,630	493,510	23,120
Natural Resources	156,991	135,838	21,153
Development	24,692	20,081	4,611
Transportation	299,476	231,356	68,120
Capital Outlay	2,608,947	950,137	1,658,810
Intergovernmental	135,939	104,735	31,204
TOTAL EXPENDITURES	6,489,336	4,567,483	1,921,853
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(969,455)	(403,553)	565,902
OTHER FINANCING SOURCES (USES):			
Operating Transfers (Out to) Other Funds	(180,521)	(179,801)	720
Operating Transfers (Out to) Component Units	(190,721)	(189,697)	1,024
Operating Transfers In from Other Funds	65,894	65,894	0
Operating Transfers In from Component Units	17,611	16,395	(1,216)
Residual Equity Fund Transfers (to) Other Funds	(278,449)	(278,436)	13
Residual Equity Fund Transfers (to) Component Units	(205,381)	(205,381)	0
Residual Equity Fund Transfers from Other Funds	2,368	2,368	0
Residual Equity Fund Transfers from Component Units	339,126	165,144	(173,982)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS	\$ (1,399,528)	(1,007,067)	\$ 392,461
RECONCILIATION OF BUDGETARY / GAAP REPORTING:			
Adjust Expenditures for Encumbrances		487,467	
Basis Difference		67,891	
Perspective Difference		(1,193)	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS		(452,902)	
FUND BALANCES, BEGINNING OF YEAR		(2,702,554)	
Prior Period Adjustment		1,172	
FUND BALANCES, END OF YEAR		\$ (3,154,284)	

The notes to the financial statements are an integral part of this statement.

STATEMENT 1.03

Special Revenue Funds		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$ 45,795	\$ 32,454	\$ (13,341)
23,308	24,854	1,546
32	50	18
491	112	(379)
40,299	40,299	0
900	941	41
573	707	134
111,398	99,417	(11,981)
28,098	10,374	(17,724)
28,098	10,374	(17,724)
139,496	109,791	(29,705)
1,439	1,439	0
45,665	43,836	1,829
573	570	3
71,316	22,620	48,696
25,233	24,365	868
9,930	4,655	5,275
28,000	28,000	0
182,156	125,485	56,671
(42,660)	(15,694)	26,966
(9,163)	(9,163)	0
8,397	8,397	0
(3,394)	(3,394)	0
\$ (46,820)	(19,854)	\$ 26,966
	38,650	
	538	
	19,334	
	36,451	
	(1,242)	
	\$ 54,543	

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS / FUND BALANCES
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

	Proprietary Fund Types	
	Enterprise	Internal Service
OPERATING REVENUES:		
Charges for Goods and Services	\$ 56,709	\$ 56,038
Fines and Forfeitures	111	
Rents and Royalties		
Interest and Investment Income	16,057	
Net Increase (Decrease) in the Fair Value of Investments		
Premiums		232,838
Other	2,949	
TOTAL OPERATING REVENUES	75,826	288,876
OPERATING EXPENSES:		
Costs of Goods and Services		2,451
Operating	49,448	53,173
Interest and Service Fees		
Financing Costs		
Provision for Loan Losses and Forgiveness	722	96
Write-down and Net (Income) Expense of Real Estate Owned	152	
Depreciation	18,499	11,741
Benefits		222,986
Other		
TOTAL OPERATING EXPENSES	68,821	290,447
OPERATING INCOME (LOSS)	7,005	(1,571)
NONOPERATING REVENUES (EXPENSES):		
Net Increase (Decrease) in the Fair Value of Investments		
Revenues and Grants	6,903	5,693
Expenses	(1,730)	(436)
Gain (Loss) on Disposal of Fixed Assets	(81)	156
TOTAL NONOPERATING REVENUES (EXPENSES)	5,092	5,413
INCOME (LOSS) BEFORE OPERATING TRANSFERS	12,097	3,842
OPERATING TRANSFERS:		
Operating Transfers (Out to) Other Funds	(1,622)	
Operating Transfers (Out to) Component Units	(10,645)	
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds	109	1,159
Operating Transfers In from Component Units		
Operating Transfers In from Primary Government		
NET INCOME (LOSS)	(61)	5,001
Depreciation on Fixed Assets Acquired by Grants or Contribution	6,567	
INCREASE (DECREASE) IN RETAINED EARNINGS/FUND BALANCES	6,506	5,001
RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR - AS PREVIOUSLY REPORTED	342,954	73,727
Restatements (See Note 1.N.)		
RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR - AS RESTATED	342,954	73,727
Residual Equity Fund Transfers from Other Funds		
Residual Equity Fund Transfers from Primary Government		
Prior Period Adjustment	9,386	(112)
RETAINED EARNINGS/FUND BALANCES, END OF YEAR	\$ 358,846	\$ 78,616

The notes to the financial statements are an integral part of this statement.

STATEMENT 1.04

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only)	
	Year Ended	
Nonexpendable Trust	June 30, 2000	Component Units
\$	\$ 112,747	\$ 106,409
	111	4
		1,305
1,062,209	1,078,266	401,524
1,240,689	1,240,689	(5,783)
	232,838	
	2,949	70,767
2,302,898	2,667,600	574,226
	2,451	
49,412	152,033	150,490
		202,500
		3,732
	818	13,721
	152	41,991
	30,240	38,005
	222,986	
		83,423
49,412	408,680	533,862
2,253,486	2,258,920	40,364
26,719	26,719	
22,181	34,777	21,593
	(2,166)	(23,565)
	75	
48,900	59,405	(1,972)
2,302,386	2,318,325	38,392
(1,175,465)	(1,177,087)	
(37,799)	(48,444)	(8,149)
	1,268	(26,000)
		655
		53,982
1,089,122	1,094,062	58,880
	6,567	297
1,089,122	1,100,629	59,177
25,414,337	25,831,018	1,930,986
	0	4,281
25,414,337	25,831,018	1,935,267
310,595	310,595	
	9,274	1
\$ 26,814,054	\$ 27,251,516	\$ 1,994,445

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Proprietary Fund Types	
	Enterprise	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 7,005	\$ (1,571)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization	18,499	11,741
Provision for Loan Losses and Forgiveness	829	96
Equipment Exchanged for Services		(40)
Operating Contributions		90
Principal Collections on Loans and Notes	13,782	
Loans and Notes Originated	(54,723)	
Write-Down and Net (Gain) Loss of Owned Property	152	
Investment Income		
Net Change in Fair Value of Investments		
Net (Gain) Loss on Sale of Investments		
Interest Expense		
Other		
Nonoperating Activity	(175)	113
(Increase) Decrease in Assets:		
Accounts Receivable - Net	2,337	4,634
Interest and Dividends Receivable	(6,444)	
Due from Other Funds	(124)	(1,238)
Due from Primary Government		
Loans, Notes, and Bonds Receivable	8	
Inventories		(723)
Reposessed Property	361	
Other Assets		119
Increase (Decrease) in Liabilities:		
Warrants Outstanding	1,242	977
Accounts Payable	(73)	13,018
Due to Other Funds	3,708	(2,864)
Due to Primary Government		
Interest Payable		
Deferred Revenues, Advances, and Prepayments	(955)	
Other Liabilities	35	(579)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(14,536)	23,773
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Advances and Contributions	41,634	
Residual Equity Fund Transfers (to) Other Funds	(290)	
Residual Equity Fund Transfers (to) Component Units	(61,886)	
Residual Equity Fund Transfers (to) Primary Government		
Residual Equity Fund Transfers from Other Funds	2,991	
Operating Transfers (Out to) Other Funds	(1,625)	
Operating Transfers (Out to) Component Units	(10,128)	
Operating Transfers (Out to) Primary Government		
Operating Transfers In from Other Funds	109	1,159
Operating Transfers In from Component Units		
Operating Transfers In from Primary Government		
Proceeds from Issuance of Long-Term Debt		
Payments on Long-Term Debt		
Proceeds from Issuance of Short-Term Debt		
Payments on Short-Term Debt		
Interest and Fees Paid on Borrowings		
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(29,195)	1,159

The notes to the financial statements are an integral part of this statement.

STATEMENT 1.05

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only)	
	Year Ended	
Nonexpendable Trust	June 30, 2000	Component Units
\$ 2,253,486	\$ 2,258,920	\$ 40,364
	30,240	24,619
	925	13,385
	(40)	
	90	
	13,782	265,504
	(54,723)	(632,135)
	152	41,599
(2,302,898)	(2,302,898)	(113,756)
		5,783
		(223)
		165,622
		(23)
4,766	4,704	7,777
304	7,275	(7,846)
	(6,444)	(285)
(24)	(1,386)	(343)
		(10,506)
(71)	(63)	
	(723)	
	361	
	119	(33,272)
16	2,235	(336)
2,333	15,278	17,320
7,574	8,418	
		307
		(445)
(96)	(1,051)	3,801
	(544)	315
(34,610)	(25,373)	(212,774)
	41,634	65
	(290)	
	(61,886)	(5,794)
		(9,320)
282,492	285,483	
(1,048,225)	(1,049,850)	
(69,558)	(79,686)	(8,149)
		(26,000)
	1,268	
45,939	45,939	655
		39,802
		921,082
		(454,280)
		1,574,928
		(1,644,653)
		(180,991)
(789,352)	(817,388)	207,345

This statement continued on next page.

COMBINED STATEMENT OF CASH FLOWS (CONTINUED)

ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Proprietary Fund Types	
	Enterprise	Internal Service
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Advances and Contributions	\$ 7,934	\$
Proceeds from Issuance of Long-Term Debt	25,000	
Payments on Long-Term Debt	(3,403)	(1,015)
Interest and Fees Paid on Borrowings	(12,698)	(444)
Acquisition and Construction of Fixed Assets and Deferred Costs	(54,217)	(13,401)
Proceeds from Sales of Fixed Assets	29	1,075
Investment in Direct Financing Leases		
Direct Financing Lease Receipts		
Payments on Capital Lease Obligations		(626)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(37,355)	(14,411)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Sales/Maturities of Investments	118,483	
Purchase of Investments	(121,881)	(19,567)
Undistributed Real Estate Income		
Income Received on Investments	14,852	6,010
Principal Collections on Loans and Notes and Reduction in Real Estate Owned Loans Originated or Purchased		
Investment in Development Projects		
Change in Restricted Cash and Investments	8,652	
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	20,106	(13,557)
NET INCREASE (DECREASE) IN CASH	(60,980)	(3,036)
CASH, BEGINNING OF YEAR	149,234	49,220
CASH, END OF YEAR	\$ 88,254	\$ 46,184
RECONCILIATION OF CASH TO THE BALANCE SHEET:		
Total Cash and Investments per the Balance Sheet	\$ 333,150	\$ 133,587
Less: Investments not meeting the definition of cash or cash equivalents	(72,940)	(87,403)
Restricted Cash and Investments	(171,956)	
CASH, END OF YEAR	\$ 88,254	\$ 46,184
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Residual Equity Fund Transfers from (to) Other Funds	\$ (105)	\$
Residual Equity Fund Transfers from (to) Component Units	(21,982)	
Operating Transfers In from (Out to) Other Funds	(547)	
Operating Transfers In from (Out to) Component Units	(517)	
Bond Amortization		
Bond Issuance Cost Amortization		
Interest Capitalization		
Contributed Fixed Assets		632
Fixed Assets Transferred to General Fixed Assets Account Group		(35)
Interfund Asset Transfer		
Amortization of Investment in Direct Financing Leases		
Net Income (Loss) on Investment	238	
Removal of Capitalized Soft Costs (Note 1.N.)		
HUD Debt Reclassified		

The notes to the financial statements are an integral part of this statement.

STATEMENT 1.05

Fiduciary Fund Types	Totals	
	Primary Government (Memorandum Only)	
	Year Ended	
Nonexpendable Trust	June 30, 2000	Component Units
\$	\$ 7,934	\$ 11,318
	25,000	20,000
	(4,418)	(25,413)
	(13,142)	(7,770)
	(67,618)	(27,571)
	1,104	90
		(19,754)
	(626)	29,289
0	(51,766)	(19,811)
	118,483	9,675,540
(1,099,068)	(1,240,516)	(9,662,577)
(25,679)	(25,679)	
2,365,212	2,386,074	125,429
		30,885
		(35,522)
		(12,587)
	8,652	(112,081)
1,240,465	1,247,014	9,087
416,503	352,487	(16,153)
649,235	847,689	124,772
\$ 1,065,738	\$ 1,200,176	\$ 108,619
\$ 28,369,596	\$ 28,836,333	\$ 2,686,460
(27,303,858)	(27,464,201)	(2,431,664)
	(171,956)	(146,177)
\$ 1,065,738	\$ 1,200,176	\$ 108,619
\$	\$ (105)	\$
	(21,982)	
	(547)	
	(517)	
		281
		844
		4,741
	632	
	(35)	
		340,313
		1,095
	238	
		23,548
		5,242

STATE OF ALASKA
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.06

	Public Employees' Retirement System		
	Pension	Postemployment Healthcare	Total
ADDITIONS:			
CONTRIBUTIONS:			
Employers	\$ 66,637	\$ 27,079	\$ 93,716
Employees	65,387	26,573	91,960
Retirement Incentive Program	10,445	4,245	14,690
Other			
TOTAL CONTRIBUTIONS	142,469	57,897	200,366
INVESTMENT INCOME:			
Net Appreciation (Depreciation) in the Fair Value of Investments	365,752	148,638	514,390
Interest	134,682	54,734	189,416
Dividends	75,215	30,567	105,782
Net Recognized Mortgage Loan Recovery (Loss)	234	95	329
	575,883	234,034	809,917
Less: Investment Expenses	13,923	5,658	19,581
NET INVESTMENT INCOME	561,960	228,376	790,336
TOTAL ADDITIONS	704,429	286,273	990,702
DEDUCTIONS:			
Benefits Paid	239,441	83,794	323,235
Insurance Premiums			
Refunds to Terminated Employees	8,531	3,467	11,998
Administrative Expenses	3,020	1,227	4,247
TOTAL DEDUCTIONS	250,992	88,488	339,480
NET INCREASE (DECREASE)	453,437	197,785	651,222
FUND BALANCES RESERVED FOR EMPLOYEES' PENSION AND POSTEMPLOYMENT HEALTHCARE BENEFITS:			
FUND BALANCES, BEGINNING OF YEAR	5,819,092	2,286,266	8,105,358
FUND BALANCES, END OF YEAR	\$ 6,272,529	\$ 2,484,051	\$ 8,756,580

The notes to the financial statement are an integral part of this statement.

Teachers' Retirement System			Judicial Retirement System		
Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare	Total
\$ 51,183	\$ 11,470	\$ 62,653	\$ 1,420	\$ 91	\$ 1,511
38,728	8,679	47,407	286	18	304
10,750	2,409	13,159			
100,661	22,558	123,219	1,706	109	1,815
217,207	48,675	265,882	3,312	211	3,523
78,298	17,546	95,844	2,186	140	2,326
44,831	10,047	54,878	512	33	545
113	26	139			
340,449	76,294	416,743	6,010	384	6,394
8,279	1,855	10,134	134	9	143
332,170	74,439	406,609	5,876	375	6,251
432,831	96,997	529,828	7,582	484	8,066
202,927	40,183	243,110	3,306	342	3,648
3,364	754	4,118			
1,402	315	1,717	34	2	36
207,693	41,252	248,945	3,340	344	3,684
225,138	55,745	280,883	4,242	140	4,382
3,401,258	802,761	4,204,019	65,493	2,785	68,278
\$ 3,626,396	\$ 858,506	\$ 4,484,902	\$ 69,735	\$ 2,925	\$ 72,660

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS (CONTINUED)
PENSION TRUST FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.06

	National Guard and Naval Militia	Supplemental Benefits System
	Pension	Pension
ADDITIONS:		
CONTRIBUTIONS:		
Employers	\$ 1,105	\$ 44,434
Employees		44,434
Retirement Incentive Program		
Other		7,283
TOTAL CONTRIBUTIONS	1,105	96,151
INVESTMENT INCOME:		
Net Appreciation (Depreciation) in the Fair Value of Investments	501	17,638
Interest	519	115
Dividends	90	62,809
Net Recognized Mortgage Loan Recovery (Loss)		
	1,110	80,562
Less: Investment Expenses	24	
NET INVESTMENT INCOME	1,086	80,562
TOTAL ADDITIONS	2,191	176,713
DEDUCTIONS:		
Benefits Paid	1,412	144,610
Insurance Premiums		7,175
Refunds to Terminated Employees		
Administrative Expenses	88	2,626
TOTAL DEDUCTIONS	1,500	154,411
NET INCREASE (DECREASE)	691	22,302
FUND BALANCES RESERVED FOR EMPLOYEES' PENSION AND POSTEMPLOYMENT HEALTHCARE BENEFITS:		
FUND BALANCES, BEGINNING OF YEAR	13,043	1,744,562
FUND BALANCES, END OF YEAR	\$ 13,734	\$ 1,766,864

The notes to the financial statement are an integral part of this statement.

STATEMENT 1.06

Totals		
June 30, 2000		
Pension	Postemployment Healthcare	Total
\$ 164,779	\$ 38,640	\$ 203,419
148,835	35,270	184,105
21,195	6,654	27,849
7,283		7,283
342,092	80,564	422,656
604,410	197,524	801,934
215,800	72,420	288,220
183,457	40,647	224,104
347	121	468
1,004,014	310,712	1,314,726
22,360	7,522	29,882
981,654	303,190	1,284,844
1,323,746	383,754	1,707,500
591,696	124,319	716,015
7,175		7,175
11,895	4,221	16,116
7,170	1,544	8,714
617,936	130,084	748,020
705,810	253,670	959,480
11,043,448	3,091,812	14,135,260
\$ 11,749,258	\$ 3,345,482	\$ 15,094,740

COMBINING STATEMENT OF CHANGES IN FUND BALANCES

ALL COLLEGE AND UNIVERSITY FUNDS - DISCRETELY PRESENTED COMPONENT UNIT

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Current		Student Loan	Endowment and Similar
	Unrestricted	Restricted		
REVENUES AND OTHER ADDITIONS:				
Unrestricted Current Funds Revenue	\$ 301,860	\$	\$	\$
State Appropriations, Restricted				
Federal Grants and Contracts, Restricted		66,276	5	
State Grants and Contracts, Restricted		10,092		
Local Grants and Contracts, Restricted		1,764		
Private Gifts, Grants and Contracts, Restricted		25,997		
Investment Income, Restricted		89	9	
Endowment Income, Restricted		18		11,316
Sales and Services, Educational Departments, Restricted		1,012		
Other Income, Restricted		374	3	
Additions to Plant Facilities				
Retirement of Indebtedness				
TOTAL REVENUES AND OTHER ADDITIONS	301,860	105,622	17	11,316
EXPENDITURES AND OTHER DEDUCTIONS:				
Educational and General Expenditures	255,365	89,392		
Auxiliary Enterprises	28,747			
Indirect Cost Recovered		15,859		
Retirement of Indebtedness				
Interest on Indebtedness				
Expended for Plant Facilities				
State Appropriation Lapsed	14			
Other			14	282
Disposal of Plant Assets				
Future Lease Obligations				
Increase in Net Indebtedness				
TOTAL EXPENDITURES AND OTHER DEDUCTIONS	284,126	105,251	14	282
TRANSFERS BETWEEN FUNDS:				
Mandatory	(6,098)	(13)		249
Nonmandatory	(1,089)	(94)		(563)
NET TRANSFERS BETWEEN FUNDS	(7,187)	(107)	0	(314)
NET INCREASE (DECREASE) IN FUND BALANCES	10,547	264	3	10,720
FUND BALANCES, BEGINNING OF YEAR	32,138	2,028	911	116,650
FUND BALANCES, END OF YEAR	\$ 42,685	\$ 2,292	\$ 914	\$ 127,370

The notes to the financial statement are an integral part of this statement.

Alaska College Savings Program Fund	Plant				Totals
	Unexpended	Retirement of Indebtedness	Renewals and Replacements	Investment In Plant	Year Ended
					June 30, 2000
\$	\$	\$	\$	\$	\$
	3,450				301,860
					3,450
					66,281
	10,294				20,386
					1,764
	3,610				29,607
1,780	285	208	67		2,438
					11,334
					1,012
	(98)				279
				30,355	30,355
				4,014	4,014
1,780	17,541	208	67	34,369	472,780
					344,757
	232				28,747
		4,014			16,091
		3,083			4,014
	16,485				3,083
					16,485
					14
834	3,213	33			4,376
				19,636	19,636
				326	326
				3,351	3,351
834	19,930	7,130	0	23,313	440,880
		5,862			0
	403	76	(14)	1,281	0
0	403	5,938	(14)	1,281	0
946	(1,986)	(984)	53	12,337	31,900
5,796	24,397	3,965	1,275	827,298	1,014,458
\$ 6,742	\$ 22,411	\$ 2,981	\$ 1,328	\$ 839,635	\$ 1,046,358

COMBINING STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES

ALL COLLEGE AND UNIVERSITY CURRENT FUNDS - DISCRETELY PRESENTED COMPONENT UNIT

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Current		Totals Year Ended
	Unrestricted	Restricted	June 30, 2000
REVENUES:			
Tuition and Fees	\$ 48,625	\$	\$ 48,625
State Appropriations	178,367		178,367
Federal Appropriations	1,042		1,042
Local Appropriations	705		705
Federal Grants and Contracts	39	55,140	55,179
State Grants and Contracts	183	8,718	8,901
Local Grants and Contracts	1,200	1,649	2,849
Private Gifts, Grants and Contracts	2,400	22,949	25,349
Investment Income	2,945	2	2,947
Endowment Income	4,558		4,558
Sales and Services, Educational Departments	3,381	756	4,137
Sales and Services, Auxiliary Enterprises	29,561		29,561
Recovery of Indirect Costs	16,091		16,091
Other	12,763	178	12,941
TOTAL CURRENT FUNDS REVENUES	301,860	89,392	391,252
EXPENDITURES:			
Instruction	92,941	8,706	101,647
Academic Support	26,366	1,086	27,452
Research	22,687	58,011	80,698
Public Service	8,430	10,253	18,683
Student Service	22,097	2,019	24,116
Operations and Maintenance	34,382	249	34,631
Institutional Support	44,482	1,496	45,978
Student Aid	3,980	7,572	11,552
Auxiliary Enterprises	28,747		28,747
TOTAL CURRENT FUNDS EXPENDITURES	284,112	89,392	373,504
TRANSFERS AND OTHER CHANGES:			
Mandatory Transfers			
Principal and Interest, Educational Plant	(3,755)		(3,755)
Principal and Interest, Auxiliary Enterprises	(2,343)		(2,343)
Endowment		(13)	(13)
Nonmandatory Transfers and Other Changes			
Restricted	95	(95)	0
Endowment	179		179
Unexpended Plant Funds	(20)	1	(19)
Retirement of Indebtedness Funds	(76)		(76)
Renewals and Replacements	14		14
Investment in Plant	(1,281)		(1,281)
State Appropriation Lapsed	(14)		(14)
Excess of Restricted Receipts over Transfers to Revenue		371	371
TOTAL TRANSFERS AND OTHER CHANGES	(7,201)	264	(6,937)
NET INCREASE IN FUND BALANCES	\$ 10,547	\$ 264	\$ 10,811

The notes to the financial statement are an integral part of this statement.



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STATE OF ALASKA
COMBINING BALANCE SHEET
ALL COMPONENT UNITS
June 30, 2000
(Stated in Thousands)

STATEMENT 1.09

	Special Revenue	Debt Service	Proprietary Fund Types	
			Alaska Industrial Development and Export Authority	
	Alaska Municipal Bond Bank Authority	Alaska Municipal Bond Bank Authority	Revolving Fund	Small Business Economic Development
ASSETS:				
Cash and Investments	\$ 42,114	\$ 53	\$ 412,976	\$ 1,078
Accounts and Notes Receivable - Net				
Interest Receivable	494	6,058	6,634	50
Due from Component Units	1,497			
Due from Primary Government				
Loans Receivable - Net			227,962	2,724
Bonds and Notes Receivable	320	161,598		
Inventories				
Repossessed Property			5,442	
Land				
Fixed Assets (Net of Accumulated Depreciation)				
Construction in Progress				
Net Investment in Direct Financing Leases			420,369	
Investment in Development Projects			160,241	
Bond Issue Costs				
Investment in Partnerships or Corporations			1,801	
Other Assets			11,862	
TOTAL ASSETS	\$ 44,425	\$ 167,709	\$ 1,247,287	\$ 3,852
LIABILITIES, EQUITY, AND OTHER CREDITS:				
LIABILITIES:				
Warrants Outstanding	\$	\$	\$	\$ 39
Accounts Payable	34	8	3,353	
Commercial Paper				
Due to Component Units	1,496	1		
Due to Primary Government	746			
Interest Payable	130	6,102	6,557	
Deferred Revenues and Advances				
Long-Term Notes and Bonds	5,155	105,035	282,840	
Revenue Bonds Payable	1,525	56,563	92,160	
Long-Term Debt	137			
Other Liabilities			6,203	
TOTAL LIABILITIES	9,223	167,709	391,113	39
EQUITY AND OTHER CREDITS:				
Investment in General Fixed Assets				
Contributed Capital			294,068	2,982
Net Unrealized Gains on Investments				
Retained Earnings:				
Reserved				25
Unreserved			562,106	806
Fund Balances:				
Reserved for Nonexpendable Trust Corpus				
Reserved for Other	18,653			
Unreserved, Designated	16,549			
Unreserved, Undesignated				
TOTAL EQUITY AND OTHER CREDITS	35,202	0	856,174	3,813
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 44,425	\$ 167,709	\$ 1,247,287	\$ 3,852

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types						Nonexpendable Trust
Alaska Student Loan Corporation	Alaska Housing Finance Corporation	Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority
\$ 280,975	\$ 1,794,762	\$ 19,099	\$ 146,177	\$ 12,177	\$	\$ 19,216
5,390	25,180	8,464	23,778	105		1
	96,982		1,244			13
1,660			46,432			327,301
457,325	2,678,881		24,035		1,000	
	32,124					678
	652					
	12,493	15,879				997
	49,571	102,740	579,995	58		
	28,200	20,237		36,798		
	40,528					
4,747	25,097					
1	23,335	57,249				
\$ 750,098	\$ 4,807,805	\$ 223,668	\$ 821,661	\$ 49,138	\$ 1,000	\$ 348,206
\$ 1,430	\$	\$	\$	\$	\$	\$ 269
408		19,108	20,990	1,122		589
	214,177					
2,000	96,982					
200				28		763
11,109	15,376		3,246			
14,182		77,774	444	9,761		810
	2,699,419	24,069				
444,732			146,567			
			149			
634	29,496	12,168	3,460	437		439
474,695	3,055,450	133,119	174,856	11,348	0	2,870
304,502	500,586	34,174	963,518	37,250	1,000	
		332				
(29,099)	1,251,769	56,043	(316,713)	540		
						262,846
						82,490
275,403	1,752,355	90,549	646,805	37,790	1,000	345,336
\$ 750,098	\$ 4,807,805	\$ 223,668	\$ 821,661	\$ 49,138	\$ 1,000	\$ 348,206

This statement continued on next page.

STATE OF ALASKA
COMBINING BALANCE SHEET (CONTINUED)
ALL COMPONENT UNITS
June 30, 2000
(Stated in Thousands)

STATEMENT 1.09

	Nonexpendable Trust Alaska Science and Technology Foundation		College and University	Totals
	Endowment Fund	International Trade & Business Endowment	University of Alaska	June 30, 2000
ASSETS:				
Cash and Investments	\$	\$	\$ 176,109	\$ 2,904,736
Accounts and Notes Receivable - Net			45,173	77,521
Interest Receivable				45,063
Due from Component Units			24,813	123,292
Due from Primary Government	117,715	5,917	12,219	511,244
Loans Receivable - Net				3,391,927
Bonds and Notes Receivable				194,720
Inventories			7,412	7,412
Reposessed Property				6,094
Land			24,999	54,368
Fixed Assets (Net of Accumulated Depreciation)			872,004	1,604,368
Construction in Progress			28,980	114,215
Net Investment in Direct Financing Leases				460,897
Investment in Development Projects				160,241
Bond Issue Costs				29,844
Investment in Partnerships or Corporations				1,801
Other Assets			328,698	421,145
TOTAL ASSETS	\$ 117,715	\$ 5,917	\$ 1,520,407	\$ 10,108,888
LIABILITIES, EQUITY, AND OTHER CREDITS:				
LIABILITIES:				
Warrants Outstanding	\$	\$	\$	\$ 1,738
Accounts Payable			39,463	85,075
Commercial Paper				214,177
Due to Component Units			24,813	125,292
Due to Primary Government			14	1,751
Interest Payable				42,520
Deferred Revenues and Advances				102,971
Long-Term Notes and Bonds				3,116,518
Revenue Bonds Payable			36,680	778,227
Long-Term Debt			34,653	34,939
Other Liabilities			338,426	391,263
TOTAL LIABILITIES	0	0	474,049	4,894,471
EQUITY AND OTHER CREDITS:				
Investment in General Fixed Assets			839,635	839,635
Contributed Capital				2,138,080
Net Unrealized Gains on Investments				332
Retained Earnings:				
Reserved				25
Unreserved				1,525,452
Fund Balances:				
Reserved for Nonexpendable Trust Corpus	101,160	4,950		368,956
Reserved for Other	16,555	967	148,817	267,482
Unreserved, Designated			43,460	60,009
Unreserved, Undesignated			14,446	14,446
TOTAL EQUITY AND OTHER CREDITS	117,715	5,917	1,046,358	5,214,417
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 117,715	\$ 5,917	\$ 1,520,407	\$ 10,108,888

The notes to the financial statements are an integral part of this statement.

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND COMPONENT UNITS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.10

	Special Revenue	Debt Service	Totals Year Ended
	Alaska Municipal Bond Bank Authority	Alaska Municipal Bond Bank Authority	June 30, 2000
REVENUES:			
Interest and Investment Income	\$ 2,095	\$ 6,818	\$ 8,913
EXPENDITURES:			
Current Operating			
General Government	815		815
Debt Service		6,819	6,819
TOTAL EXPENDITURES	815	6,819	7,634
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,280	(1)	1,279
OTHER FINANCING SOURCES (USES):			
Operating Transfers (Out to) Component Units	(1,747)		(1,747)
Operating Transfers (Out to) Primary Government	(746)		(746)
Operating Transfers In from Component Units	1,746	1	1,747
TOTAL OTHER FINANCING SOURCES (USES)	(747)	1	(746)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	533	0	533
FUND BALANCES, BEGINNING OF YEAR	34,669	0	34,669
FUND BALANCES, END OF YEAR	\$ 35,202	\$ 0	\$ 35,202

The notes to the financial statements are an integral part of this statement.

STATE OF ALASKA

STATEMENT 1.11

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS / FUND BALANCES

PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Proprietary Fund Types			
	Alaska Industrial Development and Export Authority		Alaska Student Loan Corporation	Alaska Housing Finance Corporation
	Revolving Fund	Small Business Economic Development		
OPERATING REVENUES:				
Charges for Services	\$	\$ 4	\$	\$
Fines and Forfeitures		4		
Rents and Royalties				
Interest Income	19,990	128	36,748	180,721
Direct Financing Leases Interest Income	23,131			
Investment Income	22,272			111,936
Net Increase (Decrease) in the Fair Value of Investments	(2,221)			(3,562)
Other	3,023			42,191
TOTAL OPERATING REVENUES	66,195	136	36,748	331,286
OPERATING EXPENSES:				
Operating	5,207		7,629	24,598
Interest, Net Amortization and Fees	22,967			169,516
Financing Costs				3,732
Provision for Loan Losses and Forgiveness		21	4,590	8,017
Write-Down and Net (Income) Expense of Real Estate Owned	540			93
Depreciation	1,244			5,684
Other	640			42,125
TOTAL OPERATING EXPENSES	30,598	21	12,219	253,765
OPERATING INCOME (LOSS)	35,597	115	24,529	77,521
NONOPERATING REVENUES (EXPENSES):				
Interest Income			12,520	
Interest Expense			(23,024)	
Other Revenues				
TOTAL NONOPERATING REVENUES (EXPENSES)	0	0	(10,504)	0
INCOME (LOSS) BEFORE OPERATING TRANSFERS	35,597	115	14,025	77,521
OPERATING TRANSFERS:				
Operating Transfers (Out to) Component Units				
Operating Transfers (Out to) Primary Government	(26,000)			
Operating Transfers In from Component Units				
Operating Transfers In from Primary Government				
NET INCOME (LOSS)	9,597	115	14,025	77,521
Depreciation on Fixed Assets Acquired by Grants or Contributions	270			
Increase (Decrease) in Retained Earnings/Fund Balance	9,867	115	14,025	77,521
RETAINED EARNINGS/FUND BALANCE, BEGINNING OF YEAR	552,239	716	(43,124)	1,169,967
Restatements (See Note 1.N.)				4,281
RETAINED EARNINGS/FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	552,239	716	(43,124)	1,174,248
Residual Equity Transfers from Primary Government				
RETAINED EARNINGS/FUND BALANCE, END OF YEAR	\$ 562,106	\$ 831	\$ (29,099)	\$ 1,251,769

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types				Nonexpendable Trust			Totals Year Ended June 30, 2000
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	International Trade & Business Endowment	
\$ 80,248	\$ 25,259	\$ 878	\$	\$ 20	\$	\$	\$ 106,409
				1,305			4
	5,667			56			1,305
				875			243,310
							23,131
							135,083
							(5,783)
1,952	23,592			9			70,767
82,200	54,518	878	0	2,265	0	0	574,226
84,008	9,252	1,261		8,743	9,283	509	150,490
	10,017						202,500
							3,732
	1,093						13,721
	41,358						41,991
8,076	22,974	27					38,005
	40,658						83,423
92,084	125,352	1,288	0	8,743	9,283	509	533,862
(9,884)	(70,834)	(410)	0	(6,478)	(9,283)	(509)	40,364
1,161		135					13,816
(541)							(23,565)
5,505				2,249	23		7,777
6,125	0	135	0	2,249	23	0	(1,972)
(3,759)	(70,834)	(275)	0	(4,229)	(9,260)	(509)	38,392
					(8,149)		(8,149)
							(26,000)
		655					655
	16,183			27,063	10,237	499	53,982
(3,759)	(54,651)	380	0	22,834	(7,172)	(10)	58,880
		27					297
(3,759)	(54,651)	407	0	22,834	(7,172)	(10)	59,177
59,802	(262,062)	133		322,501	124,887	5,927	1,930,986
							4,281
59,802	(262,062)	133	0	322,501	124,887	5,927	1,935,267
				1			1
\$ 56,043	\$ (316,713)	\$ 540	\$ 0	\$ 345,336	\$ 117,715	\$ 5,917	\$ 1,994,445

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.12

	Proprietary Fund Types			
	Alaska Industrial Development and Export Authority		Alaska Student Loan Corporation	Alaska Housing Finance Corporation
	Revolving Fund	Small Business Economic Development		
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 35,597	\$ 115	\$ 24,529	\$ 77,521
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation	1,244			5,684
Amortization of Bond Discount, Premium, and Other Costs				3,801
Amortization of Unearned Income on Direct Financing Leases	(18,796)			
Provision for Loan Losses and Forgiveness		21	4,590	7,681
Principal Collections on Loans and Notes		144		265,520
Loans and Notes Originated		(507)		(631,628)
Write-Down and Net (Gain) Loss of Owned Property	976			(1,008)
Investment Income				(107,214)
Net Change in the Fair Value of Investments	2,221			3,562
Net (Gain) Loss on Sale of Investments				
Interest Expense				157,214
Other				(23)
Nonoperating Activity				
(Increase) Decrease in Assets:				
Accounts Receivable - Net				
Interest Receivable	289	7	584	(1,163)
Due from Primary Government			898	
Loans Receivable - Net			(8,078)	
Other Assets	(2,365)		1	(29,900)
Increase (Decrease) in Liabilities:				
Warrants Outstanding		39	(450)	
Accounts Payable	(676)		(42)	
Due to Primary Government				
Interest Payable	(445)			
Deferred Revenues and Advances			2,585	
Other Liabilities	41	(2)	496	(1,003)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	18,086	(183)	25,113	(250,956)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Advances and Contributions		65		
Residual Equity Fund Transfer (to) Component Units				(5,794)
Residual Equity Fund Transfer from (to) Primary Government				(96,228)
Operating Transfers (Out to) Component Units				
Operating Transfers (Out to) Primary Government	(26,000)			
Operating Transfers In from Component Units				
Operating Transfers In from Primary Government				
Proceeds from Issuance of Long-Term Debt			40,000	881,082
Payments on Long-Term Debt	(4,740)		(21,225)	(428,315)
Proceeds from Issuance of Short-Term Debt				1,574,928
Payments on Short-Term Debt				(1,644,653)
Interest and Fees Paid on Borrowings			(22,156)	(158,835)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(30,740)	65	(3,381)	122,185

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types				Nonexpendable Trust			Totals Year Ended June 30, 2000
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation Endowment Fund	International Trade & Business Endowment	
\$ (9,884)	\$ (70,834)	\$ (410)	\$ 0	\$ (6,478)	\$ (9,283)	\$ (509)	\$ 40,364
8,076	22,974 1,609	27					38,005 5,410
	1,093			(160)			(18,796) 13,385 265,504
273	41,358 (5,667)			(875)			(632,135) 41,599 (113,756)
(223)	8,408						5,783 (223) 165,622
5,505				2,249	23		(23) 7,777
2,528	(11,655)	1,277		4 (2) 3			(7,846) (285) (343)
(1,008)	(2,428)						(10,506) (33,272)
8,936	10,928	(1,478) 10		75 (348) 297			(336) 17,320 307
846 4,131	289 (3,625)	222		81 55			(445) 3,801 315
19,180	(8,794)	(352)	0	(5,099)	(9,260)	(509)	(212,774)
	86,908				(8,149)		65 (5,794) (9,320) (8,149) (26,000) 655
	16,183	655		5,701	17,409	509	39,802 921,082 (454,280) 1,574,928 (1,644,653) (180,991)
0	103,091	655	0	5,701	9,260	509	207,345

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY AND NONEXPENDABLE TRUST COMPONENT UNITS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 1.12

	Proprietary Fund Types			
	Alaska Industrial Development and Export Authority	Alaska Student Loan Corporation	Alaska Housing Finance Corporation	
	Revolving Fund	Small Business Economic Development		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Advances and Contributions	\$	\$	\$	\$ 2,846
Proceeds from Issuance of Long-Term Debt				
Payments on Long-Term Debt	(19,420)			(23)
Interest and Fees Paid on Borrowings				(5)
Acquisition and Construction of Fixed Assets and Deferred Costs				(11,621)
Proceeds from Sales of Fixed Assets				
Investment in Direct Financing Leases	(20,754)			1,000
Direct Financing Lease Receipts	29,289			
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(10,885)	0	0	(7,803)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from Sales/Maturities of Investments	252,767		519,279	8,903,494
Purchase of Investments	(229,337)		(553,767)	(8,874,566)
Income Received on Investments			12,529	105,307
Principal Collections on Loans and Notes and Reduction in Real Estate Owned	30,885			
Loans Originated or Purchased	(35,522)			
Investment in Development Projects	(12,587)			
Change in Restricted Cash and Investments				
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	6,206	0	(21,959)	134,235
NET INCREASE (DECREASE) IN CASH	(17,333)	(118)	(227)	(2,339)
CASH, BEGINNING OF YEAR	55,603	1,196	24,739	10,859
CASH, END OF YEAR	\$ 38,270	\$ 1,078	\$ 24,512	\$ 8,520
RECONCILIATION OF CASH TO THE BALANCE SHEET:				
Total Cash and Investments per the Balance Sheet	\$ 412,976	\$ 1,078	\$ 280,975	\$ 1,794,762
Less: Investments not meeting the definition of cash or cash equivalents	(374,706)		(256,463)	(1,786,242)
Restricted Cash and Investments				
CASH, END OF YEAR	\$ 38,270	\$ 1,078	\$ 24,512	\$ 8,520
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Bond Amortization	\$	\$	\$ 281	\$
Bond Issuance Cost Amortization			844	
Interest Capitalization			4,741	
Interfund Asset Transfer				340,313
Amortization of Investment in Direct Financing Leases				1,095
Removal of Capitalized Soft Costs (Note 1.N.)				23,548
HUD Debt Reclassified				5,242

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types				Nonexpendable Trust			Totals
Alaska Railroad Corporation	Alaska Energy Authority	Alaska Aerospace Development Corporation	Alaska Science and Technology Foundation	Alaska Mental Health Trust Authority	Alaska Science and Technology Foundation		Year Ended
					Endowment Fund	International Trade & Business Endowment	June 30, 2000
\$ 20,000	\$	\$ 8,472	\$	\$	\$	\$	\$ 11,318
(1,096)	(4,874)						20,000
(455)	(7,310)						(25,413)
							(7,770)
(9,734)	(56)	(6,160)					(27,571)
90							90
							(19,754)
							29,289
8,805	(12,240)	2,312	0	0	0	0	(19,811)
							9,675,540
(4,907)							(9,662,577)
1,161	5,422	135		875			125,429
							30,885
							(35,522)
							(12,587)
(24,602)	(87,479)						(112,081)
(28,348)	(82,057)	135	0	875	0	0	9,087
(363)	0	2,750	0	1,477	0	0	(16,153)
5,209	0	9,427	0	17,739	0	0	124,772
\$ 4,846	\$ 0	\$ 12,177	\$ 0	\$ 19,216	\$ 0	\$ 0	\$ 108,619
\$ 19,099	\$ 146,177	\$ 12,177	\$ 0	\$ 19,216	\$ 0	\$ 0	\$ 2,686,460
(14,253)							(2,431,664)
	(146,177)						(146,177)
\$ 4,846	\$ 0	\$ 12,177	\$ 0	\$ 19,216	\$ 0	\$ 0	\$ 108,619
\$	\$	\$	\$	\$	\$	\$	\$ 281
							844
							4,741
							340,313
							1,095
							23,548
							5,242

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL COMPONENT UNIT COLLEGE AND UNIVERSITY FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 1.13

	Current		Student
	Unrestricted	Restricted	Loan
ASSETS:			
Cash and Investments	\$ 55,546	\$ 55	\$ 81
Accounts and Notes Receivable - Net	2,988	28,105	664
Due from Component Units	22,698		169
Due from Primary Government	1,790		
Inventories	7,409		
Investment in Plant			
Land			
Fixed Assets			
Construction in Progress			
Assets in Trust			
Other Assets	1,106		
TOTAL ASSETS	\$ 91,537	\$ 28,160	\$ 914
LIABILITIES AND FUND BALANCES:			
LIABILITIES:			
Accounts Payable and Accrued Expenses	\$ 36,446	\$ 1,891	\$
Due to Component Units		23,871	
Due to Primary Government	14		
College Savings Benefits Payable			
Accrued Annual Leave	6,486		
Future Lease Obligations			
Revenue Bonds Payable			
Long-Term Debt			
Deposits Held in Custody for Others	5,906	106	
TOTAL LIABILITIES	48,852	25,868	0
FUND BALANCES:			
Net Investment in Plant			
Reserved		2,292	914
Unreserved, Designated	28,239		
Unreserved, Undesignated	14,446		
TOTAL FUND BALANCES	42,685	2,292	914
TOTAL LIABILITIES AND FUND BALANCES	\$ 91,537	\$ 28,160	\$ 914

The notes to the financial statements are an integral part of this statement.

Endowment and Similar	Alaska College Savings Program Fund	Plant	Agency	Totals
				June 30, 2000
\$ 81,743	\$ 28,061	\$ 10,593	\$ 30	\$ 176,109
5,766		7,650		45,173
647			1,299	24,813
		10,429		12,219
			3	7,412
		24,999		24,999
		872,004		872,004
		28,980		28,980
			285,787	285,787
41,805				42,911
<u>\$ 129,961</u>	<u>\$ 28,061</u>	<u>\$ 954,655</u>	<u>\$ 287,119</u>	<u>\$ 1,520,407</u>
\$	\$	\$ 1,045	\$ 81	\$ 39,463
	35	907		24,813
				14
	21,283			21,283
				6,486
		17,581		17,581
		36,680		36,680
2,566		32,087		34,653
<u>25</u>	<u>1</u>		<u>287,038</u>	<u>293,076</u>
2,591	21,319	88,300	287,119	474,049
		839,635		839,635
113,477	6,742	25,392		148,817
13,893		1,328		43,460
				14,446
127,370	6,742	866,355	0	1,046,358
<u>\$ 129,961</u>	<u>\$ 28,061</u>	<u>\$ 954,655</u>	<u>\$ 287,119</u>	<u>\$ 1,520,407</u>

STATE OF ALASKA
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STATE OF ALASKA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Alaska have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting. The financial statements of the College and University Funds have been prepared in conformity with GAAP as prescribed by the American Institute of Certified Public Accountants. Except for the Alaska Railroad Corporation statements which are prepared under ICC rules and regulations (US CFR Title 49) that are generally consistent with GAAP as promulgated by the Financial Accounting Standards Board (FASB), under the auspices of GASB Statement No. 20, the State does not apply FASB pronouncements issued after November 30, 1989, for proprietary activities, unless GASB amends its pronouncements to specifically adopt FASB pronouncements issued after that date.

A. THE FINANCIAL REPORTING ENTITY

The State of Alaska was admitted to the Union in 1959 and is governed by an elected Governor and a sixty-member elected legislature. As required by GAAP, these financial statements present all the fund types and account groups of the State which includes all agencies, boards, commissions, authorities, courts, and colleges and universities that are legally part of the State (primary government) and its component units discussed below. Component units are legally separate entities for which the primary government is financially accountable or such that their exclusion would cause the State's financial statements to be misleading or incomplete.

The following component units are included in the accompanying financial statements. Blended component units, although legally separate entities, are, in substance, part of the State's operations. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the State. Individual component unit financial reports may also be obtained from each of these organizations.

BLENDED COMPONENT UNITS

The **Alaska Permanent Fund Corporation** (APFC) is a public corporation and government instrumentality in the Department of Revenue (AS 37.13.040). A Governor appointed six-member board manages APFC. The legislature approves APFC's budget. The purpose of APFC is to provide a mechanism for the management and investment of Alaska Permanent Fund (Fund) assets. The Fund is a savings device, restricted as to usage, which belongs to all the people of Alaska. It was created in 1976 when the voters approved an amendment to the State constitution. The Fund is established as an inviolate trust. This means the principal of the Fund is to be invested in perpetuity. The beneficiaries of the trust are all present and future generations of Alaskans. The Fund represents 58 percent of the total cash and investments and 56 percent of total fund equity of all funds excluding the general fixed asset account group and discretely presented component units. APFC is reported in the fiduciary fund types as a nonexpendable trust fund. APFC financial statements may be obtained from the Alaska Permanent Fund Corporation, P.O. Box 25500, Juneau, AK 99802-5500.

The **Public Employees' Retirement System** (PERS) was established by State statute (AS 39.35.010). The Commissioner of Administration is responsible for the administration of PERS. The Governor appoints the majority of the PERS board. The board prescribes policies and regulations, hears appeals, and approves employers' rates. PERS costs, based upon actuarial valuations, are funded by the State, participating governmental employers, and participants. PERS is reported in the fiduciary fund types as a pension trust fund. The Alaska State Pension Investment Board (ASPIB) is the fiduciary of PERS.

The **Teachers' Retirement System** (TRS) was established by State statute (AS 14.25.010). The Commissioner of Administration appoints the administrator of TRS. The administrator is responsible for the administration of TRS in accordance with State statutes. The Governor appoints the majority of the TRS board. The board prescribes policies and regulations, hears appeals, and approves employers' rates. TRS costs, based upon actuarial valuations, are funded by the State, participating governmental employers, and participants. TRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of TRS.

The **Judicial Retirement System** (JRS) was established by State statute (AS 22.25.048). The Commissioner of Administration is responsible for the administration of JRS. JRS costs, based upon actuarial valuations, are funded by the State and participants. JRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of JRS.

The **Alaska National Guard and Alaska Naval Militia Retirement System** (NGNMRS) was established by State statute (AS 26.05.222). The Commissioner of Administration is responsible for the administration of NGNMRS. NGNMRS costs, based upon actuarial valuations, are funded by the State. NGNMRS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of NGNMRS.

The **Supplemental Benefits System** (SBS) was established by State statute (AS 39.30.150). The Commissioner of Administration is responsible for the administration of SBS. SBS is reported in the fiduciary fund types as a pension trust fund. ASPIB is the fiduciary of SBS.

Copies of the audited financial statements for the retirement systems and for SBS may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

DISCRETELY PRESENTED COMPONENT UNITS

The **Alaska Aerospace Development Corporation** (AADC) is a public corporation of the State located for administrative purposes within the Department of Community and Economic Development (AS 14.40.821). The Governor appoints the voting members of the AADC board of directors and the legislature approves AADC's budget. AADC is also affiliated with the University of Alaska but with a separate and independent legal existence. The purpose of AADC is to allow the State to take a lead role in the exploration and development of space, to enhance human and economic development, and to provide a unified direction for space-related economic growth, education and research development, and tourism related activities. AADC is also to promote the continued utilization of the Poker Flat Research Range as a launch site for launch vehicles and for scientific research. Additionally, AADC is to promote and encourage the continued utilization of Poker Flat Research Range for the University of Alaska's polar research efforts. AADC financial statements may be obtained from the Alaska Aerospace Development Corporation, 4300 B St. Suite 101, Anchorage, AK 99503.

The **Alaska Energy Authority** (AEA) is a public corporation of the State in the Department of Community and Economic Development but with a separate and independent legal existence (AS 44.83.020). The purpose of AEA was to promote, develop, and advance the general prosperity and economic welfare of the people of the State by providing a means of constructing, acquiring, financing, and operating power projects and facilities that recover and use waste energy.

However, chapters 18 and 19, session laws of Alaska (SLA) 1993, which became effective August 11, 1993, eliminated the ability of AEA to construct, own, and acquire energy projects and the programs operated by AEA were transferred to the Department of Community and Regional Affairs. The corporate structure of AEA was retained but the board of directors of the Alaska Industrial Development and Export Authority (AIDEA) is now the board of directors of AEA and the Executive Director of AIDEA is also the Executive Director of AEA. It is the intent of the legislation that ongoing operation of the operating assets be assumed by the electric utility companies that use or purchase power from AEA with oversight responsibility retained by AEA.

Pursuant to legislation effective July 1, 1999, rural energy programs previously administered by the former Department of Community and Regional Affairs were transferred to AEA for administration as part of a larger reorganization of state agencies. Rural energy programs were originally part of AEA prior to the reorganization that occurred in 1993. This reorganization resulted in a residual equity transfer in of \$399,320,000. In addition, effective May 24, 2000, AEA recorded residual equity transfers out of \$55,603,000. AEA financial statements may be obtained from the Alaska Industrial Development and Export Authority, 480 W. Tudor Rd., Anchorage, AK 99503-6690.

The **Alaska Housing Finance Corporation** (AHFC) is a public corporation and government instrumentality within the Department of Revenue, but having a legal existence independent of and separate from the State (AS 18.56.020). The Governor appoints the board of directors of AHFC. The legislature approves AHFC's budget. AHFC assists in providing decent, safe, and sanitary housing by providing mortgage loan financing. AHFC acts as the principal source of residential financing in the State and functions as a secondary mortgage market. AHFC financial statements may be obtained from the Alaska Housing Finance Corporation, P.O. Box 101020, Anchorage, AK 99510-1020.

The **Alaska Industrial Development and Export Authority** (AIDEA) is a public corporation of the State and a political subdivision within the Department of Community and Economic Development (AS 44.88.020). The Governor appoints all members of the AIDEA board of directors and the legislature approves AIDEA's budget. The purpose of AIDEA is to promote, develop, and advance the general prosperity and economic welfare of the people of Alaska; to relieve problems of unemployment; to create additional employment by providing various means of financing; and to facilitate the financing of industrial, manufacturing, export, and business enterprises within the State. AIDEA financial statements may be obtained from the Alaska Industrial Development and Export Authority, 480 W. Tudor Rd., Anchorage, AK 99503-6690.

The **Alaska Mental Health Trust Authority** (AMHTA) is established as a public corporation of the State within the Department of Revenue (AS 47.30.011). The Governor appoints the AMHTA board of trustees. The legislature approves AMHTA's budget. The purpose of AMHTA is to ensure an integrated comprehensive mental health program. As provided in AS 37.14.009, AMHTA is to administer the trust established under the Alaska Mental Health Enabling Act of 1956. AMHTA financial statements may be obtained from the Alaska Mental Health Trust Authority, 550 W 7th Ave, Suite 1820, Anchorage, AK 99501.

The **Alaska Municipal Bond Bank Authority** (AMBBA) is a public corporation and an instrumentality of the State within the Department of Revenue, but with a legal existence independent of and separate from the State (AS 44.85.020). The Governor appoints members of the AMBBA board of directors. The legislature approves AMBBA's budget. AMBBA was created for the purpose of making available to municipalities within the State moneys to finance their capital projects or for other authorized purposes by means of issuance of bonds by AMBBA and use of proceeds from such bonds to purchase from the municipalities their general obligation and revenue bonds. AMBBA commenced operations in August 1975. AMBBA financial statements may be obtained from the Alaska Municipal Bond Bank Authority, P.O. Box 110405, Juneau, AK 99811-0405

The **Alaska Railroad Corporation** (ARRC) is a public corporation and instrumentality of the State within the Department of Community and Economic Development (AS 42.40.010). ARRC has a legal existence independent of and separate from the State. The powers of ARRC are vested in the board of directors appointed by the Governor. ARRC was created by the State of Alaska legislature to own and operate the railroad and manage the railroad's rail, industrial, port, and other properties. The ARRC commenced operations on January 6, 1985. ARRC financial statements may be obtained from the Alaska Railroad Corporation, P.O. Box 107500, Anchorage, AK 99510-7500.

The **Alaska Science and Technology Foundation** (ASTF) is established as a public corporation in the Department of Community and Economic Development (AS 37.17.010). ASTF is governed and administered by a board of directors appointed by the Governor. ASTF's budget is approved by the legislature. The purpose of ASTF is to promote and enhance through basic and applied research: economic development and technological innovation in Alaska, public health, telecommunications, and sustained growth and development of Alaskan scientific and engineering capabilities. A BIDCO (AS 37.17.210) loan fund was created in ASTF in FY 95 to assist in the formation, capitalization, and operation of corporations that are licensed under AS 10.13. ASTF financial statements may be obtained from the Alaska Science and Technology Foundation, 4500 Diplomacy Dr., Suite 515, Anchorage, AK 99508-5918.

The **Alaska Student Loan Corporation** (ASLC) is a public corporation and government instrumentality within the Department of Education and Early Development but having a legal existence independent of and separate from the State (AS 14.42.100). ASLC is governed by a board of directors appointed by the Governor. ASLC's budget is approved by the legislature. The purpose of the corporation is to improve higher educational opportunities for residents of the State. ASLC financial statements may be obtained from the Postsecondary Education Commission, 3030 Vintage Blvd., Juneau, AK 99801-7109.

The **University of Alaska** is established as a corporation and is an instrumentality of the State of Alaska (AS 14.40.040). A board of regents appointed by the Governor and confirmed by the legislature governs the university. The legislature approves the university's budget. The university is created and acts for the benefit of the State and the public in providing education in accordance with an express mandate of the constitution. The university's financial statements may be obtained from the University of Alaska, Statewide Fund Accounting, 209 B Butrovich Building, P.O. Box 756540, Fairbanks, AK 99775-6540.

The following organizations have been determined to be component units required to be discretely presented. However, they are reported in the general fund within the Department of Community and Economic Development because their financial activities, which are immaterial, are currently accounted for in the State's general fund.

The **Alaska Seafood Marketing Institute** (ASMI) is a public corporation of the State (AS 16.51.010). It is an instrumentality of the State with a legal existence independent of and separate from the State. ASMI is governed by a board of directors appointed by the Governor, and its budget is approved by the legislature. The purpose of ASMI is to promote all species of seafood and their by-products harvested in Alaska for sale, and to develop market-oriented quality specifications. Exercise of the powers conferred by statute to ASMI is an essential governmental function. The ASMI fiscal year 2000 operating budget was approximately \$10.6 million.

The **Alaska Tourism Marketing Council** (ATMC) is a public corporation of the State (AS 44.33.700). It is an instrumentality of the State with a legal existence independent of and separate from the State. ATMC is governed by a board of directors, of whom the majority are appointed by the Governor, and its budget is approved by the legislature. The purpose of ATMC is to support and expand the visitor industry of the State and to foster expansion of the market for Alaska as a destination throughout the nation and the world. Exercise of the powers conferred by statute to ATMC is an essential governmental function. The ATMC fiscal year 2000 operating budget was approximately \$4.6 million.

However, section 10, Chapter 29, session laws of Alaska (SLA) 1999, repealed AS 44.33.700. Effective July 1, 2000, ATMC is no longer a public corporation of the State of Alaska.

The following organizations, which were created by State statute, have been determined not to be part of the reporting entity. Individual financial reports may also be obtained from each of these organizations:

The **Alaska Bar Association** (ABA) is an instrumentality of the State but is a separate and independent agency (AS 08.08.010). The powers and duties of the board are conferred by the Alaska Integrated Bar Act (AS 08.08) and the Alaska Bar Rules promulgated by the Supreme Court of Alaska. The main function of ABA is the admission and discipline of its members. Additional functions include providing for continuing legal education and certification of a continuing legal education program. ABA is excluded from the State's reporting entity primarily because the State does not appoint a voting majority of the board of directors, and ABA is not fiscally dependent on the State.

The **Alaska Commercial Fishing and Agriculture Bank** (CFAB) was created by State statute and was incorporated on May 4, 1979 (AS 44.81.010). Its purpose is to promote growth of Alaska agriculture and fishing by providing debt financing to resident-owned businesses engaged in harvesting, processing, or marketing, and to promote its own growth as a strong user-oriented institution through cooperative ownership and self-governance. CFAB is excluded from the State's reporting entity primarily because the State does not appoint a voting majority of the CFAB board of directors, and CFAB is not fiscally dependent on the State.

The legislature delegated authority to operate public schools in **regional educational attendance areas** (REAA's) to local school boards (AS 14.08.021). The Department of Community and Economic Development in consultation with the Department of Education and Early Development and local communities is to divide the unorganized borough into educational service areas using the boundaries or subboundaries of the regional corporations established under the Alaska Native Claims Settlement Act, unless by referendum a community votes to merge with another community contiguous to it but within the boundaries or subboundaries of another regional corporation. REAA's are excluded from the State's reporting entity primarily because the State does not appoint a voting majority of the REAA's' boards. The regional school boards have corporate powers: the right to sue and be sued, establish fiscal procedures, adopt regulations, establish personnel rules, etc. Unlike other school districts, no local contributions are required for funding the schools' operations.

B. BASIS OF PRESENTATION

The accompanying financial statements of the State of Alaska have been prepared in conformity with generally accepted accounting principles (GAAP). The State of Alaska maintains its accounting in accordance with the principles of fund accounting. With the exception of financial activity separately accounted for by the component units referenced in Note 1.A, the financial transactions of the State are recorded in individual funds in the State's central accounting system. A fund is a fiscal and accounting entity established to segregate and to account for designated resources and activities. The transactions of each fund are recorded in a self-balancing group of accounts - an accounting entity - which stands separate from activities reported in other funds.

For financial statement presentation, like kinds of funds are combined and reported as a fund group. The accompanying financial statements are structured into three categories of funds and a fourth category of accounting entity, the account group.

GOVERNMENTAL FUNDS

Governmental funds are used to account for the State's general government activities. The general fund is the State's primary operating fund, and also accounts for the majority of the State's capital project expenditures. It is used to account for all financial resources except those required to be accounted for in another fund. The special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The capital projects funds primarily account for general obligation bond proceeds and other financial resources appropriated to the capital projects funds to be utilized for the acquisition, construction, or improvement of major capital facilities. However, capital projects are accounted for in each fund from which appropriations are made to finance the projects, with the majority of the capital projects being accounted for in the general fund.

PROPRIETARY FUNDS

Enterprise funds account for operations: (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Several component units of the State are reported in this fund group, as well as those funds accounted for on the State's accounting system.

Internal service funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.

FIDUCIARY FUNDS

Fiduciary funds account for assets held by the State on behalf of others in a fiduciary capacity. Expendable trust funds account for assets held by the State in a trustee capacity where the principal and income may be expended in the course of the fund's designated operations. Nonexpendable trust funds account for assets held by the State in a trustee capacity where only income derived from the principal may be expended in the course of the fund's designated operations. The principal must be preserved intact. Pension trust funds account for transactions, assets, liabilities, and net assets available for plan benefits of the various public employees' retirement systems. Agency funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the State, acting in the capacity of an agent, for distribution to other governmental units, other organizations, or individuals.

ACCOUNT GROUPS

The general fixed assets account group is used to account for fixed assets (i.e., land, buildings, and equipment) owned by the State, except for those assets accounted for in proprietary and fiduciary funds. The general long-term debt account group accounts for all of the long-term obligations of the State except those accounted for in proprietary, trust, and college and university funds.

TOTALS PRIMARY GOVERNMENT (MEMORANDUM ONLY)

The "Totals Primary Government (Memorandum Only)" columns in the accompanying financial statements represent a summation of the combined financial statement line items of the fund types and account groups for the primary government only and are presented for analytical purposes. Amounts shown in this column are not comparable to a consolidation because fund types and account groups use different bases of accounting, interfund and intrafund transactions have not been eliminated, and the item captioned "Amount to be Provided for Retirement of General Long-Term Debt" is not an asset in the usual sense.

FISCAL YEAR-ENDS

All funds and component units of the State of Alaska are reported using fiscal years which end on June 30 except the Alaska Railroad Corporation and Deferred Compensation Fund fiscal years end on December 31, and the Alaska Supplemental Benefits System fiscal year ends on January 31.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST, AND AGENCY FUNDS

All governmental and expendable trust funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance operations during the current year or to liquidate liabilities existing at the end of the year. Major revenues that are determined to be susceptible to accrual include federal, charges for services, investment income, and petroleum related taxes and royalties.

The major unrestricted revenue categories of Taxes and Rents & Royalties are based on self-assessed returns. These returns are initially based upon estimated values and are subsequently settled as the actual values become known. These revenues are recorded in the fiscal year of the settlement.

All receipts dedicated to the Alaska Permanent Fund by the State constitution are recognized as revenues of the general fund and are offset by a corresponding residual equity transfer to the Alaska Permanent Fund. All receipts dedicated to the Public School Fund by statute are recognized as revenues of the Public School Fund. All receipts dedicated to the Constitutional Budget Reserve Fund by the State constitution are recognized as revenues of the Constitutional Budget Reserve Fund.

Expenditures are recognized when the related fund liability is incurred. Exceptions to the general modified accrual recognition criteria include principal and interest on general long-term indebtedness which are recognized when due and compensated absences which are recognized when paid.

Agency funds are also accounted for on the modified accrual basis of accounting. However, agency funds are custodial in nature (i.e., assets equal liabilities) and do not measure the results of operations.

PROPRIETARY FUND TYPES, NONEXPENDABLE, AND PENSION TRUST FUNDS

Proprietary funds and nonexpendable trust funds are accounted for on the flow of economic resources measurement focus and are reported on the accrual basis. Revenues are reported in the fiscal year in which they are earned and expenses are reported in the fiscal year in which the liabilities for goods and services are incurred.

Pension trust funds and the deferred compensation plan are reported on the accrual basis of accounting. Contributions are recognized in the period in which they become due. Benefits and refunds are recognized when due and payable.

D. BUDGETARY CONTROL

Once money received is deposited in the State Treasury, no money may be withdrawn from the Treasury except in accordance with an appropriation made by law. Those amounts received by component units are disbursed in accordance with their particular statutory authority.

The budgetary process is used to establish a balancing of estimated revenues coming into a fund with requested appropriations for that fund. Except for capital projects funds which prepare only project-length budgets, annual operating (and project-length) budgets are prepared for practically every fund and are submitted to the legislature for the enactment of appropriations. An appropriation is an authorization to spend money and to incur obligations. Each appropriation is limited as to purpose, time, and amount, and each of these limitations is legally binding. The legal level of budgetary control is maintained at the appropriation level as specified in the enabling legislation, which is generally at the program level within a department.

Appropriations as enacted by the legislature and signed by the Governor are entered into the accounting records. The balance of an appropriation is reduced when funds are expended or encumbered. Appropriations are encumbered for anticipated expenditures in the form of purchase orders, contracts, and other obligations. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities. Unencumbered annual appropriations lapse at the end of the fiscal year.

Expenditures of funds are made only upon properly approved requests for payment. The total of expenditures and encumbrances (obligations) may not exceed the appropriations to which they pertain. Transfers between appropriations are not authorized. Agencies faced with potential overexpenditure of appropriations must (1) reduce the rate of expenditures, (2) seek relief through supplemental appropriations, or (3) request necessary approvals to receive and expend additional funds. In order to provide sufficient funding for several programs during FY 00, supplemental appropriations of \$108.4 million were required of which \$19.1 million were appropriations from the general fund.

E. CASH AND INVESTMENTS, CASH AND CASH EQUIVALENTS

The amounts shown on the Combined Balance Sheet as Cash and Investments represent cash on deposit in banks, petty cash, cash invested in various short-term instruments, and other investments of the State and its component units. Investments of the State are stated at fair value in accordance with GASB Statement No. 31 (GASBS 31). In accordance with GASBS 31, all investments are stated at fair value, which approximates market value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the State's nonpooled marketable debt securities is determined daily by the custodial agent using pricing services or prices quoted by one or more independent brokers. Securities traded on a national or international exchange are valued at the last reported sale price at current exchange rates, if applicable, defaulting to current bid price if a particular security was not traded that day. Securities not traded on a national or international exchange are based on equivalent values of comparable securities with interest rates for similar instruments.

Fair value pricing of the State's pooled marketable debt securities is performed daily by the custodian utilizing an independent pricing service. Fair value has been established as the midpoint between the bid and asked prices.

The net asset value per share for each of the common trust funds that, together, comprise the Non-retirement Domestic Equity Pool is determined daily by dividing the fair value of its underlying assets by the number of units that represent total ownership. The value of underlying securities held by these commingled trust funds is determined in good faith and pursuant to procedures established by the Trustee.

Investments of the Alaska Permanent Fund Corporation (APFC) are valued as follows: marketable securities, excluding direct real estate investments, are reported at fair value. Real estate commingled funds, direct real estate investments, and direct commercial mortgages are carried at historical cost plus APFC's share of undistributed earnings. Investments held by other component units are stated at fair value.

Most entities that are included in the Combined Statement of Cash Flows for the enterprise and trust funds show changes in cash and cash equivalents. For the purpose of the statement of cash flows, all highly liquid debt instruments with original maturities of three months or less are considered cash and cash equivalents. In addition, because the State's Short-term Fixed Income Pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. At June 30, 2000, the assets of the pool were comprised of U.S. Treasuries, U.S. Government agency debt, corporate debt, and other U.S. dollar-denominated bonds with residual cash invested in short-term money market instruments.

F. RECEIVABLES

Receivables have been established and offset with proper provisions for estimated uncollectible accounts where applicable. The amount of noncurrent receivables is included in the fund balance reserve, which indicates they do not constitute expendable available financial resources and therefore are not available for appropriation.

Practically all accounts receivable of governmental funds are due from oil companies and governmental entities, primarily the federal government, and are considered collectible. Accounts receivable in other funds have arisen in the ordinary course of business.

G. INVENTORIES

Inventories reported for the internal service funds and the general fund consist mainly of consumable materials and supplies. Inventories are carried at cost (average cost for Highway Equipment Working Capital; FIFO for other internal service funds and the general fund), and are accounted for on the consumption method. However, the majority of materials and supplies for State agencies are accounted for as expenditures at the time of purchase. Inventory of the University of Alaska is carried at the lower of cost or market.

H. FIXED ASSETS**GENERAL FIXED ASSETS**

Purchases of general fixed assets are charged as expenditures in the appropriate funds. These assets are then recorded for stewardship purposes in the general fixed asset account group and are not depreciated.

Fixed assets in the general fixed asset account group are presented at cost or estimated historical cost, except for Statehood entitlement land that is carried at estimated nominal value of \$1 per acre and State-owned buildings (other than State-owned schools) that are stated at estimated replacement value. The estimated cost of State-owned schools included in buildings at June 30, 2000, is \$297,798,310. Donated fixed assets are stated at fair value at the time of donation. Interest during construction has not been capitalized. Public domain infrastructure fixed assets, including highways, highway land and rights-of-way, bridges, and airports, are not capitalized.

Changes in general fixed assets for the fiscal year ending June 30, 2000 were (in thousands):

	Balance June 30, 1999	Increase (Decrease)	Balance June 30, 2000
Land	\$ 233,588	\$ 23,412	\$ 257,000
Buildings	1,553,156	378,823	1,931,979
Equipment	540,493	2,090	542,583
Construction in Progress	177,226	-	177,226
Total	<u>\$ 2,504,463</u>	<u>\$ 404,325</u>	<u>\$ 2,908,788</u>

The following relates to the land owned by the State:

- The total State entitlement amounts to approximately 105.7 million acres, 102.5 million of which was received through the Statehood Act. In accordance with the Alaska Statehood Act Section 6(g), Alaska Native Claims Settlement Act, and the Alaska National Interest Lands Conservation Act, section 906(c), 90.1 million acres have been patented or "tentatively approved."
- The State disposes of various land parcels through several programs. However, the State generally retains the subsurface rights of the land upon disposal.

INTERNAL SERVICE FUNDS

Fixed assets of the internal service funds are carried at cost. Depreciation is based on cost, using the straight-line method applied to the estimated useful life of the assets. Following is a summary of property and equipment at June 30, 2000, (in thousands):

	Life	Amount
Land Improvements	10 to 14 years	\$ 114
Buildings	25 to 40 years	1,672
Equipment	4 to 20 years	191,421
		<u>193,207</u>
Accumulated depreciation		(112,520)
Total		<u>\$ 80,687</u>

ENTERPRISE FUNDS**ALASKA INTERNATIONAL AIRPORT SYSTEM**

Property and equipment is carried at cost except property originally received from the federal government is at fair value at the date contributed. Major additions and improvements to property and equipment are capitalized. Depreciation is provided over the estimated useful lives using the straight-line method. Repair and maintenance costs are expensed as incurred.

The cost and accumulated depreciation of assets retired or sold are removed from the accounts and any gain or loss is reflected in operations in the year of disposition.

Airport property was owned by the federal government prior to Statehood and contributed to the State after that date. Subsequent additions to property and equipment have been funded by governmental contributions, bond proceeds, and operating revenues. The following is a summary of property and equipment at June 30, 2000 (in thousands):

	Life	Amount
Land		\$ 25,502
Land improvements	5 to 40 years	314,492
Buildings	10 to 40 years	211,008
Equipment	5 to 10 years	33,768
Construction in progress		61,081
		645,851
Accumulated depreciation and amortization		(265,338)
Total		\$ 380,513

DISCRETELY PRESENTED COMPONENT UNITS

Property and equipment are stated at cost (fair value for donated) and depreciated on the straight-line method over the estimated useful lives of the related assets, except for the University of Alaska (in conformity with accounting practices for governmental educational institutions, depreciation is not recorded). The estimated useful lives of the assets range from 4 to 50 years. Following is a summary of property and equipment (including estimated depreciation for the University) at June 30, 2000 (in thousands):

	Amount
Land	\$ 54,368
Utility Plant	890,209
Buildings	773,132
Improvements other than buildings	70,144
Equipment	202,701
Other Capitalizable assets	119,356
Construction in progress	114,215
	2,224,125
Accumulated depreciation and amortization	(751,474)
Total	\$ 1,472,651

I. WARRANTS OUTSTANDING

Warrants outstanding represent drafts issued against the State Treasury which have not yet cleared. These are somewhat similar to outstanding checks, however, cash is not reduced until the warrant is redeemed.

J. INTERFUND LIABILITIES

The general fund interfund liability is composed primarily of amounts appropriated from the Constitutional Budget Reserve Fund (CBRF). Because article IX, section 17(d), of the Alaska Constitution provides that amounts appropriated from the CBRF are to be repaid, these appropriations are recognized as a liability in the general fund.

The composition of the amount owed to the CBRF is as follows:

Long-term Portion	
Chapter 14, SLA 1994, section 7	\$ 1,006,038,474
Chapter 14, SLA 1994, section 8	49,608,135
Chapter 14, SLA 1994, section 9	368,581,990
Chapter 3, FSSLA 1994, section 39(c)	22,417,986
Chapter 3, FSSLA 1994, section 40	68,738,958
Chapter 3, FSSLA 1994, section 22(a)	11,250,000
Chapter 6, FSSLA 1994, section 1	130,300,000
Article IX, section 17(d) Alaska Constitution (FY 95)	(95,506,853)
Chapter 94, SLA 1995, section 43(a)	95,506,853
Chapter 94, SLA 1995, miscellaneous operating appropriations	16,672,928
Chapter 94, SLA 1995, section 43(b)	284,873,567
Article IX, section 17(d) Alaska Constitution (FY 96)	(74,352,026)
Chapter 5, FSSLA 1996, section 1 (a)	74,352,026
Article IX, section 17(d) Alaska Constitution (FY 97)	(166,019,445)
Chapter 98, SLA 1997, section 35(a)	166,019,445
Chapter 98, SLA 1997, page 47, line 3	529,258
Chapter 98, SLA 1997, section 35(b)	423,319,190
Article IX, section 17(d) Alaska Constitution (FY 98)	(89,264,067)
Chapter 139, SLA 1998, section 42(a)	89,264,067
Chapter 2, SLA 1999, section 16(c)	460,000
Chapter 27, SLA 1999, Y2K appropriations	7,930,475
Chapter 2, FSSLA 1999, section 21(a)	1,042,014,840
Article IX, section 17(d) Alaska Constitution (FY 99)	(94,632,453)
Chapter 84, SLA 1999, section 35(a)	94,632,453
Chapter 2, FSSLA 1999, section 21(b)	295,898,497
Chapter 8, SLA 2000, section 8(a)	3,227,666
Chapter 75, SLA 2000, section 1(b)	100,000,000
Article IX, section 17(d) Alaska Constitution (FY 00)	(111,438,806)
Total Long-term Portion	3,720,423,158
Short-term portion	
Article IX, section 17(d) Alaska Constitution (FY 00)	111,438,806
Excess drawn, chapter 2, FSSLA 1999, section 21(b)	4,101,503
Total Due to the CBRF	<u>\$ 3,835,963,467</u>

The amounts appropriated in chapter 14, SLA 1994, sections 7 and 8 are equal to the amounts appropriated from the general fund to the CBRF to comply with court orders. In FY 91 through FY 94, the State deposited revenue into the general fund that several parties contended should have been deposited into the CBRF. The Alaska Superior Court and Supreme Court agreed that these moneys should have been deposited in the CBRF and the State was ordered to restore the CBRF, including interest earnings, retroactive to July 1, 1990. Chapter 14, SLA 1994, was enacted into law to comply with the courts' orders and sections 2, 3, and 4 of the law appropriated \$1,006,038,474, plus \$49,608,135 in interest which would have been earned on the money after June 30, 1990, from the general fund to the CBRF effective April 15, 1994.

Chapter 14, SLA 1994, section 9, chapter 3, FSSLA 1994, section 39(c), chapter 94, SLA 1995, section 43(b), chapter 98, SLA 1997, section 35(b), and chapter 2, FSSSLA 1999, section 21(a) and (b) appropriated additional amounts from the CBRF to the general fund to fund any shortfalls between State revenue and general fund appropriations for fiscal years 1994, 1995, 1996, 1998, 1999, and 2000 respectively.

Chapter 3, FSSLA 1994, section 40, appropriated an amount to cover the share of the State's actual expenditures for oil and gas litigation from July 1, 1990, through February 15, 1994, that is attributable to the CBRF. The appropriation in section 22(a) of chapter 3 was to cover costs related to legal proceedings and audit activity involving oil and gas revenue due or paid to the State or State title to oil and gas land, for the fiscal year ending June 30, 1995.

Chapter 6, FSSLA 1994, section 1, was passed by the Alaska legislature to resolve the long-standing issue of reconstitution of the Alaska Mental Health Trust (AMHT). CBRF funds were appropriated to capitalize the AMHT.

This schedule shows the effect of article IX, section 17(d), of the Alaska Constitution which provides that the amount of money in the general fund available for appropriation at the end of each succeeding fiscal year shall be deposited in the budget reserve fund until the amount appropriated is repaid. As of June 30, 1995, 1996, 1997, 1998, 1999, and 2000, amounts in various subfunds and accounts of the general fund which were identified as available for appropriation were used to repay a part of the general fund liability to the CBRF. The amounts for FY 95, FY 96, FY 97, FY 98, and FY 99 were transferred to the CBRF during FY 96, FY 97, FY 98, FY 99 and FY 00 respectively. The amount for FY 00 will be transferred to the CBRF during FY 01 and, therefore, is shown as a short-term portion of the liability to the CBRF.

The amounts transferred under article IX, section 17(d), were appropriated back to the funds from which transferred under chapter 94, SLA 1995, section 43(a) for FY 95, chapter 5, FSSLA 1996, section 1(a) for FY 96, chapter 98, SLA 1997, section 35(a) for FY 97, chapter 139, SLA 1998, section 42(a) for FY 98, and chapter 84, SLA 1999, section 35(a) for FY 99.

Chapter 94, SLA 1995, appropriated amounts from the CBRF to fund miscellaneous operating appropriations.

Chapter 98, SLA 1997, page 47, line 3, and chapter 2, SLA 1999, section 16(c) appropriated amounts from the CBRF for Treasury Management of CBRF investments in FY 98 and FY 99 respectively.

Chapter 27, SLA 1999, section 2(a) appropriated funds from the CBRF for year 2000 (Y2K) assessment, compliance, and remediation projects.

Chapter 8, SLA 2000, section 8(a), repealed and reappropriated the unexpended and unobligated balances of the CBRF appropriations made in section 2(a), chapter 27, SLA 1999, page 2, line 3, page 3, line 31, page 4, line 17, and page 4, line 20, to the longevity bonus grant program.

Chapter 75, SLA 2000, appropriated funds from the CBRF to the power cost equalization endowment fund, which is within the Alaska Energy Authority.

Based on an expected FY 00 budget shortfall and the need to maintain a sufficient cash balance in the general fund, five draws of \$100 million each were made from the CBRF to the general fund. However, the final calculation showed that only \$295.9 million was required to balance the FY 00 appropriations. There was a partial repayment of \$200 million, and as of June 30, 2000, the balance due to the CBRF as a result of the excess drawn from the CBRF under chapter 2, FSSLA 1999, section 21(b) is \$4.1 million.

K. ANNUAL/PERSONAL AND SICK LEAVE

The cost of annual/personal leave and sick leave for State employees is charged against agency appropriations when leave is used rather than when leave is earned. The one exception is the payment of the accumulated annual/personal leave balance for an employee terminating from State service. That amount is charged to a terminal leave liability account rather than the individual agency appropriation. This liability account is funded by a charge to each agency's operating budget.

Regulations governing annual/personal leave provide that State employees will receive time off or pay for hours accumulated; consequently, a liability exists with respect to accumulated annual/personal leave at any given time. Accumulated unpaid annual leave for college and university funds, internal service funds, and component units is reported as a current liability. The State's long-term liability at June 30, 2000, for all other accumulated unpaid annual or personal leave for the governmental funds is reported in the accompanying general long-term debt account group in the amount of \$86.4 million. The current liability for accumulated unpaid annual or personal leave is reported in general fund accounts payable in the amount of \$3.8 million. There is no liability in the accompanying financial statements for unpaid accumulated sick leave. See Note 9 for disclosure of the amount of the sick leave contingency.

L. BUDGETARY REPORTING

The legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The reconciliation of the budgetary basis to GAAP is shown directly on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgetary Basis. Both the annual operating budget and the net continuing total budget are included.

The types of differences are as follows:

- For the general fund and special revenue funds, encumbrances are included for total authorized expenditures although for GAAP purposes they are excluded.
- For the general fund only, there was certain financial activity related to reimbursable services agreements (RSA) and certain interfund transactions that were recorded both in the general fund and in other funds. For budgetary purposes, that activity was left in the general fund, but for GAAP purposes it was eliminated from the general fund.
- Basis differences arise when the budgetary basis of accounting differs from the basis of accounting applicable to fund type when reporting on operations in accordance with GAAP. This difference is comprised of the following in the general fund (in thousands):

Petroleum severance taxes and royalties	\$ 72,205
Terminal leave	121
Medical Assistance Program	(4,435)
Total general fund basis difference	<u>\$ 67,891</u>

- Perspective differences result from the structure of financial information for budgetary purposes. The Group Health and Life Benefits Fund (Group Health and Life, and Retiree Health) is established by statute as an account within the general fund, but must be reported as an internal service fund to conform to GAAP. The federal receipts/disbursements for PL 103-382, Title VIII (previously PL 81-874) are budgeted in the general fund but are accounted for as an agency fund.

Group Health and Life, and Retiree Health	\$ (1,600)
Federal receipts for PL 103-382 (Impact Aid)	407
Total general fund perspective difference	<u>\$ (1,193)</u>

M. EQUITY AND OTHER CREDITS

RESERVED or DESIGNATED

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. A summary of the nature and purpose of these reserves of fund balances at June 30, 2000, by fund type follows (in millions):

Reserved for Specific Purposes	General	Special Revenue	Fiduciary	Component Units
Encumbrances	\$ 125.2	\$ 31.4	\$ -	\$ -
Nonliquid assets	28.4	-	-	-
Permanent Fund	-	-	26,515.9	-
Pension Benefits	-	-	11,749.3	-
Postemployment				
Healthcare Benefits	-	-	3,345.5	-
Budget Reserve	-	-	6,575.2	-
Mental Health Trust	-	-	-	345.3
Science & Technology	-	-	-	123.6
University Endowment	-	-	-	113.5
Other	33.7	-	2,132.2	54.0
Total	<u>\$ 187.3</u>	<u>\$ 31.4</u>	<u>\$ 50,318.1</u>	<u>\$ 636.4</u>

Designations of unreserved fund balances are established to reflect tentative plans for future utilization of current financial resources. A summary of the designations follows (in millions):

Designated for	General	Special Revenue	Capital Projects
Continuing appropriations	\$ 180.9	\$ 11.5	\$ -
Tax & royalty revenue accruals	138.8	-	-
Oil & hazardous substance release response	50.4	-	-
Other	8.8	-	0.1
Total	<u>\$ 378.9</u>	<u>\$ 11.5</u>	<u>\$ 0.1</u>

DEFICIT FUND BALANCES

At June 30, 2000, the general fund unreserved, undesignated fund balance was a deficit of \$3.7 billion. This deficit is due primarily to the general fund liability for the amounts appropriated from the Constitutional Budget Reserve Fund of \$3.8 billion.

In addition to the general fund, the following funds had deficit retained earnings at year-end (stated in thousands): Enterprise Funds - Mining Revolving Loan \$6,043, Rural Development Revolving Loan \$441, and Agriculture Revolving Loan \$32,050; Internal Service Fund – Correctional Industries \$259. However, each of these funds had sufficient contributed capital to offset the deficit resulting in positive total fund equity.

The discretely presented component units with deficit fund balance/retained earnings were (stated in thousands): Alaska Student Loan Corporation, \$29,099, and Alaska Energy Authority, \$316,713. Each of these funds also had sufficient contributed capital to offset the deficit resulting in positive total fund equity.

N. CUMULATED EFFECT OF CHANGE IN ACCOUNTING METHOD - AHFC

Prior to FY 00, AHFC capitalized all costs associated with the actual purchase or improvements in the form of construction and modernization of public housing building in accordance with GAAP. New information from the U.S. Department of Housing and Urban Development (HUD) explaining the type of costs associated with modernization and development of buildings has led to a change in industry practice of capitalizing hard costs and expending soft costs. The modernization and development costs such as management improvements, administrative, other costs defined as "soft costs" do not provide additional service potential and will not be allocated over the life of the building but expended as incurred. In the fourth quarter of FY 00 AHFC removed all "soft costs" that had been capitalized over the prior periods and the corresponding accumulated depreciation. The net effect of the change in accounting method is shown as cumulative effect of prior year's amount on the Statement of Revenues and Expenses.

	Prior Years	FY 00	Total
Total Soft Costs Removed	\$ (26,120)	\$ (2,067)	\$ (28,187)
Total Accumulated Depreciation Removed	<u>6,853</u>	<u>708</u>	<u>7,561</u>
Total Net Fixed Assets Removed	<u>(19,267)</u>	<u>(1,359)</u>	<u>(20,626)</u>
Decrease of Contributed Capital	(23,548)	(1,225)	(24,773)
Cumulated Effect on Net Income	4,281	-	4,281

NOTE 2 - DEPOSITS AND INVESTMENTS

The Governmental Accounting Standards Board (GASB) Statement No. 3 requires a disclosure regarding custodial credit risk to indicate the chance of loss in the event a financial institution or third party holding the deposits or securities fails. Deposits and those investments represented by specific, identifiable securities are classified into three categories of credit risk: Category 1 - Insured or registered, or securities held by the State or its custodian in the State's name; Category 2 - Uninsured or unregistered, with securities held by the counterparty's trust department or agent in the State's name; and Category 3 - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the State's name.

A. DEPOSITS AND INVESTMENTS UNDER THE CONTROL OF THE COMMISSIONER OF REVENUE

By law, all deposits and investments are under the control of the Commissioner of the Department of Revenue (Commissioner) except where the legislature has delegated that responsibility to other individuals or boards

responsible for separate subdivisions or component units of the State. Those agencies and component units which manage their own cash and investments are: Alaska Permanent Fund Corporation, Alaska Energy Authority, Alaska Housing Finance Corporation, Alaska Industrial Development and Export Authority, Alaska Municipal Bond Bank Authority, Alaska Railroad Corporation, Alaska Mental Health Trust Authority, Alaska Science and Technology Foundation, Alaska Student Loan Corporation, and the University of Alaska.

Invested assets under the fiduciary responsibility of the Commissioner are comprised of the general fund and Other Non-segregated Investments, Constitutional Budget Reserve Fund, International Airports Fund, Retiree Health Insurance Fund, Power Cost Equalization Endowment Fund as well as the Public School, Alaska Children's, Investment Loss, and Supplemental Benefits System (SBS) trust funds (all collectively, Funds). Through contractual arrangements with the University of Alaska, the Commissioner also acts as custodian of the Alaska Advance College Tuition Savings Fund established under AS 14.40.803. Among other responsibilities, the custodian invests the assets of the fund in accordance with investment objectives and asset allocation guidelines established by the Board of Regents of the University of Alaska.

As the fiduciary, the Commissioner has the statutory authority (AS 37.10.070 - 37.10.071) to invest the assets under the Prudent Investor Rule which requires that investments shall be made with the judgement and care under circumstances then prevailing that an institutional investor of ordinary professional prudence, discretion, and intelligence exercises in managing large investment portfolios. Where possible, securities are managed in a pooled environment, unless required by statute or bond resolution to be held separately.

Certain types of investments are not subject to the custodial credit risk disclosure requirements in GASB Statement No. 3. The Short-term Fixed Income Pool contains assets of other participants outside the reporting entity and, as such, cannot be categorized into one of the three risk categories because the amounts reported represent interests in the pool rather than ownership of specific, identifiable securities. The Non-retirement Domestic Equity Pool is an open-ended mutual fund-like pool and is therefore not categorized with regard to credit risk. Mortgage assets are not transferable financial instruments (securities) and therefore are not categorized with regard to credit risk.

At June 30, 2000, except those not categorized with regard to credit risk as noted above, all of the Funds' deposits and investments are considered to be Category 1 with respect to safekeeping risk as defined by GASB Statement No. 3 and GASB Technical Bulletins No. 87-1 and No. 97-1. Category 1 is the highest level of safekeeping security as defined by GASB. Deposits and investments at June 30, 2000, are summarized as follows (in thousands):

	Category			Fair Value
	1	2	3	
Deposits				
Certificates of deposit	\$ 5,000	\$ -	\$ -	\$ 5,000
Non-interest bearing investments	9,890	-	-	9,890
Total	<u>\$ 14,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,890</u>
	Category			Fair Value
	1	2	3	
Investments				
Short-term investment fund	\$ 51	\$ -	\$ -	\$ 51
Intermediate-term fixed income pool	2,885,954	-	-	2,885,954
Broad market fixed income pool	443,501	-	-	443,501
U.S. Government and agency debt	503	-	-	503
SOA international equity pool	7,921	-	-	7,921
Total categorized investments	<u>\$ 3,337,930</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,337,930</u>
Not categorized:				
Short-term fixed income pool ^(a)				979,348
Non-retirement domestic equity pool				157,099
Mortgage assets, net of allowance				11
Total				<u>\$ 4,474,388</u>

(a) Includes funds under the fiduciary responsibility of the Alaska State Pension Investment Board that also participate in the Short-term Fixed Income Pool.

Additional investment information on the various pools and investments, as well as the Funds, may be obtained from the Department of Revenue, Treasury Division, P.O. Box 110405, Juneau, Alaska 99811-0405.

B. DEPOSITS AND INVESTMENTS UNDER CONTROL OF THE ALASKA STATE PENSION INVESTMENT BOARD

Invested assets of the pension trust funds (Public Employees', Teachers', Judicial, and the Alaska National Guard and Naval Militia Retirement Systems) as well as the Supplemental Benefits System and Deferred Compensation Plans are under the fiduciary responsibility of the Alaska State Pension Investment Board (ASPIB).

PENSION FUNDS

ASPIB has statutory responsibility for the pension trust funds' investments and the authority to invest the funds' moneys. As the fiduciary, ASPIB has the statutory authority to invest the assets under the Prudent Investor Rule. Alaska Statute provides that investments shall be made with the judgement and care under circumstances then prevailing that an institutional investor of ordinary professional prudence, discretion, and intelligence exercises in managing large investment portfolios. Actual investing is performed by investment officers in the Department of Revenue, Treasury Division or by contracted external investment managers. Specifically, external management companies manage the Retirement Fixed Income Pool, External Domestic Fixed Income Pool, International Fixed Income Pool, Domestic Equity Pool, International Equity Pool, Emerging Markets Equity Pool, Real Estate Pool, and Private Equity Pool investments. In addition to acting as oversight manager for all externally managed investments, Treasury Division staff manage all mortgage-related assets and cash holdings of certain external domestic equity managers.

Unless required by statute or bond resolution to be held separately, deposits and securities are managed in a pooled environment. Deposits and investments are recorded at fair value as defined by GASB No. 31. Mortgage-related assets are valued at their principal balance (cost) less an allowance for loan loss, the result of which approximates fair value.

The funds' cash and cash equivalents and investments other than mortgage-related assets are represented by participation in the investment pools rather than specific, identifiable securities. Although pooled deposits represent the funds' share of ownership in the pool rather than ownership of specific securities, all of the underlying securities in the pool are considered to be Category 1 as defined by GASB Statement No. 3. Category 1 is the highest level of safekeeping security as defined by GASB.

The funds' pooled investments are considered to be Category 1 except those in the Emerging Markets Equity Pool which are considered to be Category 2, and shares in the Private Equity Pool and the Real Estate Equity Pool which, like the funds' mortgage-related assets, are not transferable financial instruments and therefore cannot be categorized with regard to custodial credit risk. At June 30, 2000, except those not categorized with regard to credit risk as described above, the pension funds' investments are classified as follows (in thousands):

<u>Investments</u>	Category			Fair Value
	1	2	3	
Marketable debt securities:				
U.S. Government and municipal debt	\$ 732,457	\$ -	\$ -	\$ 732,457
Federal agency debt	475,416	-	-	475,416
Corporate debt	1,071,467	-	-	1,071,467
Yankees	459,955	-	-	459,955
Asset backed securities	47,830	-	-	47,830
Mortgage backed securities	1,052,768	-	-	1,052,768
International fixed income	589,518	-	-	589,518
Equity securities:				
Domestic equities	5,580,456	-	-	5,580,456
Emerging market equities	-	150,220	-	150,220
International equities	2,337,559	-	-	2,337,559
Total categorized investments	<u>\$ 12,347,426</u>	<u>\$ 150,220</u>	<u>\$ -</u>	<u>12,497,646</u>
Not categorized:				
Cash and cash equivalents				1,566,906
Venture capital limited partnerships				241,452
Real estate investments				713,412
Mortgage-related assets				1,096
Interest and dividends receivable				88,706
Total				<u>\$ 15,109,218</u>
<u>Participant's Ownership in Pooled Investments</u>				
Public Employees' Trust Fund				\$ 8,738,538
Teachers' Trust Fund				4,463,052
Judicial Trust Fund				72,653
Alaska National Guard and Alaska Naval Militia Retirement Fund				13,862
Other funds ^(a)				1,821,113
Total				<u>\$ 15,109,218</u>

(a) Includes funds under the fiduciary responsibility of the Commissioner of Revenue that also participate in the Short-term Fixed Income Pool.

Additional investment information on the assets of the retirement systems may be obtained from the Department of Revenue, Treasury Division, P.O. Box 110405, Juneau, Alaska, 99811-0405.

DEFERRED COMPENSATION

The State's Internal Revenue Code Section 457 deferred compensation plan holds investments in an interest income fund and several collective investment funds: the International Fund, Small Cap Index Fund, S&P 500 Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Government/Corporate Bond Fund, and the Intermediate Bond Fund. As of December 31, 1999, deferred compensation plan investments totaled \$410.6 million (fair value).

The interest income fund and the collective investment funds include contributions, plus earnings, less investment expenses and participant withdrawals paid to terminated members. The interest income fund holds fully benefit responsive investment contracts (\$107.8 million) plus shares in a short-term investment fund (\$10.1 million) comprised of cash and cash equivalents. The investment contracts are stated at contract values, which approximate fair value. Underlying corporate and government fixed income securities supporting the investment contracts are held by the State's custodian bank in the State's name (Category 1) and are recorded at fair value; residual cash is held by the custodian in a short-term investment fund in the State's name (Category 1). Assets in the short-term investment fund are comprised of short-term debt instruments with maturities not to exceed 13 months and are valued at amortized cost, which approximates fair value given their short time horizon.

Investments in collective investment funds (\$292.7 million), held in trust, are stated at fair value based on the unit value as reported by the trustees multiplied by the number of units held. The unit value is determined by the trustees based on the fair market value of the underlying assets. Purchases and sales of assets within the collective investment pools are recorded on a trade-date basis. Investments in collective investment funds cannot be categorized into one of the three risk categories because they represent interests (shares) in funds rather than ownership of specific, identifiable securities.

SUPPLEMENTAL BENEFITS SYSTEM

Supplemental Benefits System (SBS) holds shares in the following participant-directed investment options: Alaska Balanced Fund, Alaska Target 2000 Fund, Alaska Target 2005 Fund, Alaska Target 2010 Fund, Alaska Target 2015 Fund, S&P 500 Stock Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Daily Government/Corporate Bond Fund, and the Money Market Fund. SBS also holds shares in the State of Alaska Short-term Fixed Income Pool. At January 31, 2000, SBS investments totaled \$1.76 billion (fair value). All assets are held in trust.

SBS investments in the Alaska Balanced Fund and the four Target 2000-series investment options are formed through combinations of six wholly-owned investment pools: the Government/Corporate (fixed income) Pool, GNMA (fixed income) Pool, Cash Pool, Large Cap Equity Pool, Small Cap Equity Pool, and the International Equity Pool. Purchases and sales of underlying securities within the six investment pools are recorded on a trade-date basis, and all assets are recorded at fair value. The State's custodian bank holds the underlying securities in the State's name (Category 1); residual cash held is held in a short-term investment fund (Category 1).

SBS investments in the S&P 500 Stock Index Fund, Tactical Asset Allocation Fund, Global Balanced Fund, Daily Government/Corporate Bond Fund, Money Market Fund, and the State of Alaska Short-term Fixed Income Pool are represented by shares in collective investment funds. All assets are stated at fair value based on the unit value as reported by the trustees multiplied by the number of units held by each of the respective investment pools. Unit value is determined by the trustees based on the fair value of the underlying assets. Purchases and sales of securities are recorded on a trade-date basis. Investments in collective investment funds cannot be categorized into one of the three risk categories because they represent interests (shares) in funds rather than ownership of specific, identifiable securities.

SBS investments totaled \$1.76 billion (fair value) at January 31, 2000, all of which represents an undivided interest in commingled funds (pools) rather than specific, identifiable securities. Investments in collective investment funds cannot be categorized into one of the three risk categories because they represent interests in funds rather than ownership of specific securities. Although the pooled investments represent the Plan's ownership in the pools, rather than ownership of specific securities, all of the underlying securities in the pools in which the Plan participates are considered to be Category 1 and are held by the custodian in the Plan's name.

C. DEPOSITS AND INVESTMENTS MAINTAINED BY COMPONENT UNITS WHOSE ACCOUNTS ARE OUTSIDE OF THE STATE TREASURY

ALASKA PERMANENT FUND CORPORATION

All Alaska Permanent Fund Corporation deposits and investments are classified in GASB Statement No. 3 risk category 1, the lowest risk category, except as noted.

CASH AND TEMPORARY INVESTMENTS

All cash and temporary investments bear interest at competitive rates, and are summarized as follows at June 30, 2000 (in thousands):

Cash (a)	\$	99,981
U.S. agencies (b)		212,719
Commercial paper (c)		435,039
Total cash and temporary investments	\$	<u>747,739</u>

- (a) Share ownership in a money market fund, payable on demand. Collateralized by underlying securities held by the custodian in the name of the Fund. Not considered an investment nor assigned a specific risk category.
- (b) Debt obligation guaranteed by the U.S. government.
- (c) Commercial paper rated investment grade.

MARKETABLE DEBT SECURITIES

The Corporation is authorized by statute to invest Fund assets in (i) corporate bonds rated investment grade, (ii) obligations of the U.S. Treasury, its agencies and instrumentalities, and (iii) foreign obligations of comparable quality. All marketable debt securities are held by custodian banks in the name of the Corporation on behalf of the Fund.

Marketable debt securities at June 30, 2000, are summarized as follows (in thousands):

	Cost	Market	Unrealized Gains/(Losses)
Treasury notes/bonds	\$ 3,234,534	\$ 3,191,033	\$ (43,501)
Mortgage-backed securities	811,435	786,199	(25,236)
Other federal agencies	1,675,307	1,650,972	(24,335)
Corporate bonds	3,751,391	3,587,763	(163,628)
Nondomestic bonds	532,778	507,784	(24,994)
Total marketable debt securities	<u>\$ 10,005,445</u>	<u>\$ 9,723,751</u>	<u>\$ (281,694)</u>

PREFERRED AND COMMON STOCK

The Corporation is authorized by statute to invest Fund assets in the preferred and common stock of United States and nondomestic corporations. All preferred and common stock investments are held by custodian banks in the name of the Corporation on behalf of the Fund. Preferred and common stock at June 30, 2000, are summarized as follows (in thousands):

	Cost	Market	Unrealized Gains
Domestic	\$ 7,469,847	\$ 10,297,594	\$ 2,827,747
Nondomestic	3,385,069	4,366,182	981,113
Total preferred & common stock	<u>\$ 10,854,916</u>	<u>\$ 14,663,776</u>	<u>\$ 3,808,860</u>

ALASKA CERTIFICATES OF DEPOSIT

The Corporation is authorized by statute to invest Fund assets in certificates of deposit or the equivalent instruments of banks, savings and loan associations, mutual savings banks, and credit unions doing business in Alaska. Letters of credit issued by the Federal Home Loan Bank secure these investments. The market value of these certificates of deposit approximates cost.

REAL ESTATE

The Corporation is authorized by statute to invest Fund assets in real estate improved by substantially rented buildings located in the United States. Real estate investments may take the form of equity interests, real estate title-holding entities, real estate investment trusts, real estate operating companies, or other entities whose assets consist primarily of real property, debt obligations secured by real property, or similar entities. All real estate investments are held by the Corporation in its own name on behalf of the Fund, and are managed by professional real estate management firms. Real estate investment trusts and commercial mortgage-backed securities are held by custodian banks in the name of the Corporation on behalf of the Fund.

Carrying value of real estate at June 30, 2000, was \$2,326,403,000. Carrying value consists of the equity value of direct real estate investments, commingled funds and commercial mortgages, and the market value of real estate investment trusts and commercial mortgage-backed securities.

In the ordinary course of business, the Corporation has made commitments related to real estate investments. In the opinion of management, meeting these commitments will not have a material adverse effect on the Corporation's financial position, results of operation, or liquidity.

Real estate investments at June 30, 2000, are summarized as follows (in thousands):

	Book Value	Market Value	Unrealized Gains/(Losses)
Commingled funds	\$ 12,338	\$ 18,236	\$ 5,898
Real estate investment trusts	510,621	520,799	10,178
Commercial mortgages	65,644	64,278	(1,366)
Commercial mortgage-backed securities	225,937	221,971	(3,966)
Alaska residential mortgages	198	198	-
Direct investments -			
Retail	385,377	385,166	(211)
Office	636,194	753,364	117,170
Industrial	172,459	177,166	4,707
Residential	311,423	329,820	18,397
Total real estate	<u>\$ 2,320,191</u>	<u>\$ 2,470,998</u>	<u>\$ 150,807</u>

DISCRETELY PRESENTED COMPONENT UNITS

At June 30, 2000, the discretely presented component units' investments by risk category were (in thousands):

<u>Investments</u>	Category			Fair Value
	1	2	3	
U.S. Treasury securities	\$ 246,935	\$ 22,206	\$ -	\$ 269,141
U.S. Government agency securities:	507,303	60,029	-	567,332
Corporate securities	503,212	449,100	150,223	1,102,535
Total categorized investments	<u>\$ 1,257,450</u>	<u>\$ 531,335</u>	<u>\$ 150,223</u>	1,939,008
Not categorized				
Equity in State treasury				125,828
Equity in Permanent Fund Corporation				
Investments				450,933
Guaranteed Investment Contracts				9,340
Other				814,860
Total				<u>\$ 3,339,969</u>

NOTE 3 - BONDS PAYABLE AND OTHER LONG-TERM OBLIGATIONS

SUMMARY OF CHANGES

A summary of changes in general long-term debt for the fiscal year ended June 30, 2000, (in thousands) is:

	Balance July 1, 1999	Increases	Decreases	Balance June 30, 2000
Serial Bonds Payable	\$ 2,376	\$ -	\$ 2,376	\$ 0
Capital Leases Payable	159,065	8,279	78,561	88,783
Expendable Trust Fund	23,806	-	4,000	19,806
Accrued Vacation Leave	89,801	63,433	66,807	86,427
Claims and Judgements	86,114	30,507	24,353	92,268
Total	<u>\$ 361,162</u>	<u>\$ 102,219</u>	<u>\$ 176,097</u>	<u>\$ 287,284</u>

GENERAL OBLIGATION AND INTERNATIONAL AIRPORTS REVENUE BONDS

The full faith, credit, and resources of the State are pledged to secure payment of general obligation bonds. As of June 30, 2000, there is no general obligation bond debt outstanding.

Gross revenues derived from the operation of the international airports at Anchorage and Fairbanks are pledged to secure the payment of principal and interest on International Airports revenue bonds. All bonds authorized by the Alaska legislature have been issued. Debt service requirements are (in thousands):

<u>Year Ending June 30</u>	International Airports Revenue Bonds		
	Principal	Interest	Total
2001	\$ 1,135	\$ 11,613	\$ 12,748
2002	3,660	11,508	15,168
2003	6,300	11,295	17,595
2004	6,580	11,018	17,598
2005	6,865	10,727	17,592
2006-2010	39,255	48,548	87,803
2011-2015	50,280	37,322	87,602
2016-2020	53,140	23,609	76,749
2021-2025	65,000	8,723	73,723
Total debt service requirements	232,215	\$ 174,363	\$ 406,578
Unamortized bond issuance costs and discounts	(4,439)		
Total principal outstanding	\$ 227,776		

CAPITAL LEASES PAYABLE

Debt service requirements for capital leases are (in thousands):

<u>Year Ending June 30</u>	Principal	Interest	Total
2001	\$ 18,733	\$ 3,605	\$ 22,338
2002	9,169	3,181	12,350
2003	9,612	2,745	12,357
2004	9,083	2,313	11,396
2005	8,715	1,910	10,625
2006-2010	25,425	4,703	30,128
2011-2015	8,045	818	8,863
Total	\$ 88,782	\$ 19,275	\$ 108,057

EXPENDABLE TRUST FUND LIABILITIES

Debt service requirements for expendable trust fund liabilities are \$4.0 million in fiscal year 2001, \$4.0 million in fiscal year 2002, with a final payment in fiscal year 2003 of \$11.8 million.

DISCRETELY PRESENTED COMPONENT UNITS

Debt service requirements are (in thousands):

<u>Year Ending June 30</u>	Principal	Interest	Total
2001	\$ 113,185	\$ 219,829	\$ 333,014
2002	132,066	214,479	346,545
2003	138,427	207,435	345,862
2004	144,570	200,264	344,834
2005	159,834	196,042	355,876
2006-2010	538,024	867,560	1,405,584
2011-2015	584,567	722,981	1,307,548
2016-2020	553,635	594,715	1,148,350
2021-2025	492,805	431,358	924,163
2026-2030	448,358	310,529	758,887
2031-2035	309,605	179,050	488,655
2036-2040	249,398	73,401	322,799
2041-2045	51,580	22,850	74,430
2046-2050	47,165	6,478	53,643
Total debt service requirements	3,963,219	\$ 4,246,971	\$ 8,210,190
Unamortized discounts, unexpended bond proceeds, a	(23,499)		
Total principal outstanding	\$ 3,939,720		

The preceding table does not include \$149,000 of Alaska Energy Authority arbitrage interest payable.

NOTE 4 - DEFINED BENEFIT PENSION PLANS**A. STATE ADMINISTERED PLANS**DESCRIPTION OF PLANSTHE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

PERS is a defined benefit, agent, multiple-employer public employee retirement system established and administered by the State to provide pension and postemployment healthcare benefits for eligible State and local government employees. Benefit and contribution provisions are established by Chapter 35 of Alaska Statute Title 39, and may be amended only by the State legislature. PERS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

PERS is considered a component unit of the State financial reporting entity. PERS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and PERS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

At June 30, 2000, the number of participating employers was:

State of Alaska	1
Municipalities	73
School Districts	50
Other	27
Total employers	<u>151</u>

Current employee contribution rates are 6.75 percent of compensation (7.5 percent for peace officers and firefighters). The employee contributions are deducted before federal income tax is withheld. The PERS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered payroll, are adequate to accumulate sufficient assets to pay both pension and postemployment health care benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2000, was 8.13 percent of compensation (8.11 for peace officers and firefighters).

The Schedule of Funding Progress for the State of Alaska for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of covered payroll
1997	2,681,121	2,558,428	(122,693)	104.8%	704,573	(17.4%)
1998	2,922,361	2,849,760	(72,601)	102.5%	706,711	(10.3%)
1999	3,064,962	2,902,304	(162,658)	105.6%	727,953	(22.3%)

Postemployment healthcare benefits are provided to retirees without cost for all employees first hired before July 1, 1986, and employees who are disabled or age sixty-five or older, regardless of initial hire dates. Employees first hired after June 30, 1986, with five years of credited service (or ten years of credited service for those first hired after July 1, 1996) may receive postemployment healthcare benefits prior to age sixty by paying the full monthly premium, and by paying half of the monthly premium if they are between the ages of sixty and sixty-five.

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims. The RHF issues a financial report that may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

The Schedule of Funding Progress for the State of Alaska for postemployment healthcare benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of covered payroll
1997	999,283	953,554	(45,729)	104.8%	704,573	(6.5%)
1998	1,165,476	1,136,524	(28,952)	102.5%	706,711	(4.1%)
1999	1,242,503	1,176,563	(65,940)	105.6%	727,953	(9.1%)

The State's annual required contributions for pension and postemployment healthcare benefits for the fiscal years ended June 30, 2000, 1999, and 1998 were \$51.6 million, \$57.1 million, and \$63.4 million respectively. The State contributed 100 percent for each of those years resulting in no net pension obligation (NPO).

THE TEACHERS' RETIREMENT SYSTEM (TRS)

TRS is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established to provide pension benefits for teachers and other eligible participants.

At June 30, 2000, the number of participating employers was:

State of Alaska	1
School Districts	53
Other	7
Total employers	<u>61</u>

TRS is considered a component unit of the State financial reporting entity. TRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and TRS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 25 of Alaska Statute Title 14 and may be amended only by the State legislature. TRS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

Current employee contribution rate is 8.65 percent of their base salary. The employee contributions are deducted before federal income tax is withheld. Eligible employees contribute an additional 1 percent of their salary under the supplemental contribution provision. The TRS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2000, was 12 percent of compensation.

Postemployment healthcare benefits are provided without cost to all employees first hired before July 1, 1990, and employees who are disabled or age sixty-five or older, regardless of initial hire dates. Employees first hired after June 30, 1990, may receive postemployment healthcare benefits prior to age sixty-five by paying premiums.

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims. The RHF issues a financial report that may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

The State's contributions to TRS for the fiscal years ended June 30, 2000, 1999, and 1998, were \$664,424, \$685,703, and \$658,035 respectively, equal to the required contributions for each year.

THE JUDICIAL RETIREMENT SYSTEM (JRS)

JRS is a defined benefit, single-employer retirement system established to provide pension benefits for eligible State judges and justices.

JRS is considered a component unit of the State financial reporting entity. JRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and JRS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 25 of Alaska Statute Title 22 and may be amended only by the State legislature. JRS provides for normal pension benefits, as well as death, disability, and postemployment healthcare benefits.

Members contribute 7 percent of their compensation to JRS. The contributions are deducted after federal income tax is withheld. Contributions are not required after members have made contributions for fifteen years, or from members first appointed before July 1, 1978. The JRS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual-covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Employer contribution rates are level percentages of payroll and are determined using the projected unit credit actuarial funding method. The employer rate for the State of Alaska for the year ended June 30, 2000, was 26.31 percent of compensation.

The Schedule of Funding Progress for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of covered payroll
1994	40,238	49,771	9,533	80.9%	5,310	179.5%
1996	49,303	52,374	3,071	94.1%	5,289	58.1%
1998	60,794	57,780	(3,014)	105.2%	5,716	(52.7%)

Prior to July 1, 1997, postemployment healthcare benefits were provided by the payment of premiums to an insurance company. Beginning July 1, 1997, the Retiree Health Fund (RHF), an internal service fund of the State, was established. The RHF is self-funded and provides major medical coverage to retirees. Retirees of three other State plans also participate in the RHF. The retirement plans retain the risk of loss of allowable claims.

Postemployment healthcare benefits are provided without cost to retired JRS members. The Schedule of Funding Progress for postemployment healthcare benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a percentage of covered payroll
1994	1,817	2,247	430	80.9%	5,310	8.1%
1996	2,479	2,634	155	94.1%	5,289	2.9%
1998	3,896	3,703	(193)	105.2%	5,716	(3.4%)

The annual required contributions for pension and postemployment healthcare benefits for the fiscal years ended June 30, 2000, 1999, and 1998 were \$1,510,516, \$1,502,750, and \$2,204,026. The State contributed 100 percent for each of those years resulting in no net pension obligation (NPO).

THE ALASKA NATIONAL GUARD AND ALASKA NAVAL MILITIA RETIREMENT SYSTEM (NGNMRS)

NGNMRS is a defined benefit, single-employer retirement system established and administered by the State to provide pension benefits for eligible members of the Alaska National Guard and Alaska Naval Militia.

NGNMRS is considered a component unit of the State financial reporting entity. NGNMRS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and the plan is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Benefit and contribution provisions are established by Chapter 5 of Alaska Statute Title 26 and may be amended only by the State legislature. NGNMRS provides for normal pension benefits and death benefits. Postemployment healthcare benefits are not provided.

No contributions are required from plan members. NGNMRS's funding policy provides for periodic contributions by Alaska Department of Military and Veterans' Affairs at actuarially determined amounts that are adequate to accumulate sufficient assets to pay benefits when due. State contributions are determined using the projected unit credit actuarial funding method.

The Schedule of Funding Progress for pension benefits follows (in thousands):

Actuarial Valuation Year Ended June 30	Actuarial Value of Plan Assets	Actuarial Accrued Liabilities (AAL)	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio
1994	\$2,414	\$14,031	\$11,617	17.2%
1996	9,948	12,512	2,564	79.5%
1998	12,671	14,252	1,581	88.9%

The annual required contributions for the fiscal years ended June 30, 2000, 1999, and 1998 were \$1,104,500, \$1,104,519, and \$1,626,000. The percentage contributed for each year was 100, 100, and 88 percent respectively.

THE UNLICENSED VESSEL PERSONNEL ANNUITY RETIREMENT FUND (UVPARF)

UVPARF is an employer-funded plan with defined benefits. The purpose of UVPARF is to provide retirement benefits to employees of the Alaska Marine Highway System on whose behalf the State made contributions to UVPARF for service during the period July 1, 1981, through October 1, 1983, and who retire under the terms of either the Northwest Marine Retirement Trust (NMRT) or the PERS.

As of June 30, 2000, UVPARF is fully funded and no State contributions were required in FY 00. The majority of UVPARF membership was merged into the Public Employees' Retirement System in FY 93. However, those not merged into PERS will remain in UVPARF.

THE ELECTED PUBLIC OFFICERS RETIREMENT SYSTEM (EPORS)

EPORS is a defined benefit retirement plan covering the Governor, the Lieutenant Governor, and all Legislators that participated in the System between January 1, 1976, and October 14, 1976. EPORS is funded by both employee contributions and an annual appropriation from the State general fund. Retirement benefits are based on the member's years of service and the current salary for the position from which they retired or an average of the three highest consecutive years' salaries. The pension benefit is equal to 5 percent for each year of service as governor, lieutenant governor, or a legislator, plus 2 percent for other covered service. The plan also provides death and disability benefits.

Plan members contribute 7 percent of their compensation to EPORS. Employee contributions earn interest at 4.5 percent per annum, compounded semiannually. The remaining amount required to pay EPORS benefits is funded by legislative appropriation. The FY 00 cost to the State for EPORS was \$1.1 million.

ASSET VALUATION

See Note 2 for information on pension funds' deposits and investments risk categories. The table below discloses the fair value of each pension plan's cash and investments. All amounts are in thousands.

<u>Systems</u>	<u>Fair Value</u>
Public Employees' Retirement System	\$ 8,737,973
Teachers' Retirement System	4,462,522
Judicial Retirement System	72,653
Alaska National Guard and Alaska Naval Militia Retirement System	13,862

PLAN MEMBERSHIPS

Plan membership consisted of:

Plan Membership	PERS	TRS	JRS	NGNMRS	UVPARF	EPORS
As of	6/30/99	6/30/00	6/30/00	6/30/98	6/30/00	6/30/00
Retirees & beneficiaries receiving benefits & terminated members with future benefits	19,580	7,636	72	821	56	33
Current active employees:						
Vested	19,035	5,256	43	*	-	4
Nonvested	13,179	4,140	14	3,404	-	-
Total	<u>51,794</u>	<u>17,032</u>	<u>129</u>	<u>4,225</u>	<u>56</u>	<u>37</u>

* A breakdown of active employees between vested and nonvested was not available for NGNMRS.

FUNDING STATUS AND PROGRESSACTUARIAL METHOD AND ASSUMPTIONS

All systems use the "projected unit credit" method. The unfunded accrued benefit liability or funding surplus is amortized over a rolling 25 years (NGNMRS is 20 years).

The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, each participant's total pension projected to retirement with salary scale is broken down into units, each associated with a year of past or future service. The principle underlying the method is that each unit is funded in the year for which it is credited. Typically, when the method is introduced there will be an initial liability for benefits credited for service prior to that date, and to the extent that this liability is not covered by assets of the plan there is an unfunded liability to be funded over a chosen period in accordance with an amortization schedule.

The following main assumptions were used in the actuarial valuation.

System	Investment Return Compounded Annually	Salary Scale Increase	Health Cost Inflation	Consumer Price Index Inflation	Valuation Date
PERS	8.25%	5.5% first 5 years 4.5% thereafter	1999 - 9.5%; 2000 - 8.5%; 2001 - 7.5%; 2002 - 6.5%; 2003 - 5.5%; 2004-08 - 5.0%; thereafter - 4.5%	4%	6/30/99
TRS	8.25%	5.5% first 5 years 4.5% thereafter	1998 - 6.5%; thereafter - 5.5%	4%	6/30/99
JRS	8.25%	5.0% per year	FY 99 and thereafter, 5.5%	4%	6/30/98
NGNMRS	8.25%	-	-	-	6/30/98
UVPARF	8.0%	-	-	-	6/30/90
EPORS	9.0%	6.0% per year	9.0% per year	-	6/30/86

All assets are at fair value, with 20 percent of the investment gains or losses recognized in each of the current and preceding four years. Valuation assets cannot be outside a range of 80 to 120 percent of the fair value of assets.

RETIREMENT INCENTIVE PROGRAM

House Bill 354 was passed on June 18, 1996, and provided for a retirement incentive program (RIP) for members of school district employers and employees of Mt. Edgecumbe and the Alaska Vocational Technical Center. Senate Bill 1003 was passed on June 28, 1996, and provides for a RIP for employees of the State, the University of Alaska, and all employers other than school districts. The RIP encourages eligible employees to retire up to three years earlier than they had planned as a cost savings to the employer.

Employers who participate in either of the RIP programs are required to reimburse the retirement system for the actuarial equivalent of the difference between the benefits each employee receives after the addition of the retirement incentive under the program and the amount the employee would have received without the incentive, less any amount the employee was indebted as a result of retiring under the program. During fiscal year 2000, PERS recognized \$13.8 million of additions to plan net assets for contributions from employers for required reimbursements under RIP, and TRS recognized \$12.1 million.

When employees terminate employment to participate in RIP, PERS eligible employees are indebted for 20.25 percent of their annual compensation for the calendar year in which they terminate (22.5 percent for peace officers and firefighters) and TRS eligible employees are indebted for 25.95 percent. During fiscal year 2000, PERS recognized \$0.8 million of additions to plan net assets from employees and TRS recognized \$1.1 million.

Additional information is available in the PERS and TRS annual reports for the fiscal year ended June 30, 2000.

B. NON-STATE ADMINISTERED PLANS

THE MARINE ENGINEERS' BENEFICIAL ASSOCIATION (MEBA) PENSION PLAN

The MEBA plan is a defined benefit pension plan administered by MEBA for its members. Engineer Officers of the Alaska Marine Highway System participate in this program and the State contributes an amount (set by union contract) for each employee. The State assumes no liability for this pension plan or its participants other than the payment of required contributions. The State contributed \$477.2 thousand in FY 00.

NOTE 5 - DEFINED CONTRIBUTION PENSION PLANS

A. STATE ADMINISTERED PLANS

SUPPLEMENTAL BENEFITS SYSTEM

In addition to the pension plans (Note 4) and deferred compensation plan (Note 6), all State employees, as well as employees of political subdivisions, which have elected to participate in the program, are covered under the Alaska Supplemental Benefits System (SBS). SBS is comprised of the Supplemental Annuity Plan and the Supplemental Benefits Plans. The Supplemental Annuity Plan is a defined contribution plan that was created under Alaska statutes effective January 1, 1980, to provide benefits in lieu of those provided by the Federal Social Security System (Social Security). All State employees, who would have participated in Social Security if the State had not withdrawn, participate in SBS. Other employers whose employees participate in the State Public Employees' Retirement System and meet other requirements are eligible to have their employees participate in SBS as provided by Alaska Statute. The Division of Retirement and Benefits is responsible for administration and record keeping. The Alaska State Pension Investment Board is responsible for the specific investment of moneys in SBS.

As of January 31, 2000, there were fifteen other employers participating in SBS. There were approximately 28,000 participants in the Plan.

SBS is considered a component unit of the State financial reporting entity. SBS issues a separate stand-alone financial report that includes financial statements and required supplementary information, and SBS is also reported as a pension trust fund by the State. Copies of the audited financial statements may be obtained from the Division of Retirement and Benefits, P.O. Box 110203, Juneau, AK 99811-0203.

Mandatory contributions are made to the Supplemental Annuity Plan and voluntary contributions to the Supplemental Benefits Plan. Participating employees are vested at all times. Supplemental Annuity Plan contributions are made in lieu of contributions to Social Security. The State is required to contribute 12.26 percent of an employee's wages up to the taxable wage base in effect under Social Security regulations. Each employee is considered to have agreed to a wage reduction equal to one-half the contribution made on the employee's behalf. The State's mandatory contributions for the year ending January 31, 2000, were \$83.0 million. The State's covered payroll was approximately \$676.7 million.

Supplemental Benefit Plan contributions are voluntary based upon the optional benefits elected by each employee enrolled in SBS. Each employee agrees to a wage reduction based upon the benefit options selected. The benefit amounts are deducted from each employee's wages and remitted by the employer to SBS on the employee's behalf. State employee voluntary contributions for the year ending January 31, 2000, were approximately \$7.1 million.

Employees are eligible to withdraw from the Supplemental Annuity Plan ninety days after termination. Benefits are payable in the form of a lump sum annuity or one of various continuing annuities purchased from an insurance carrier. The SBS administrator issues lump-sum payments through its contracted record keeper.

Benefits available include supplemental health, death, disability, and survivor benefits. In addition, a dependent care reimbursement plan is available. Selection of these benefits is at the discretion of the employee, with certain restrictions, and may be amended and/or changed on an annual basis or by employee change in status. Prior to July 1, 1997, supplemental benefits, with the exception of dependent care reimbursement, were provided through insurance policies with various insurance carriers. Effective July 1, 1997, the State established a separate self-insurance fund to provide for health benefits. All other supplemental benefits, except dependent care reimbursement, continue to be provided through insurance policies. The State administers the dependent care reimbursement plan.

Supplemental annuity contributions were deposited with investment managers under contract with SBS for the year ended January 31, 2000. The amounts credited to each participant account include the increase or decrease in the unit value of the investment funds, in addition to participant contributions received during the year and deductions for administrative fees.

Participant accounts under the Supplemental Annuity Plan are self-directed with respect to investment options. Each participant designates how contributions are allocated among the investment options. Each participant's account is credited with the contributions and the increase or decrease in unit value for the investment funds.

B. NON-STATE ADMINISTERED PLANS

THE NORTHWEST MARINE RETIREMENT TRUST (NMRT)

NMRT is an agent multiple-employer pension plan with defined contributions and is administered by the Pacific Northwest Marine Retirement Trust. The State assumes no liability for this pension plan or its participants other than the payment of required contributions. The State contributed \$435.7 thousand in FY 00.

NOTE 6 - DEFERRED COMPENSATION PLAN

The State of Alaska Deferred Compensation Plan (Plan) was created by Alaska statutes. It is a deferred compensation plan under Section 457 of the Internal Revenue Code and is available to all permanent employees or elected officials of the State who have completed a full pay period of employment. Participants authorize the State to reduce their current salary so that they can receive the amount deferred at a later date. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency, within the definition allowed by the applicable Internal Revenue Code. As of December 31, 1999, the Plan had approximately 7,100 participants.

As a result of the passage of The Small Business Job Protection Act of 1996 (SBJPA), all amounts deferred, including amounts deferred before the effective date of the new law, under an eligible 457 plan must be held in a trust for the exclusive benefit of employees and beneficiaries. This new law repealed the requirement that a section 457 plan sponsored by a government be solely the property of the employer, subject only to the claims of the employer's general creditors. The trust requirement generally applies to assets and income held by a plan on and after the date of enactment of the SBJPA. For any plan in existence on the date of enactment of the SBJPA, a trust need not be established before January 1, 1999.

The Plan Document for the State of Alaska Deferred Compensation Plan was amended effective January 1, 1997, to recognize and establish the Trust requirement for the Plan. The formal trust documents were completed by December 31, 1998.

The Division of Retirement and Benefits is responsible for Plan administration and recordkeeping. The Alaska State Pension Investment Board is responsible for the specific investment of moneys in the plan.

Participant accounts are self-directed with respect to investment options. Each participant designates how his or her contribution is to be allocated among the investment options. Each participant's account is credited with the participant's contributions and the increase or decrease in unit value for the investment funds.

The balance of deferred compensation as of December 31, 1999, was \$419.4 million. This balance has been reported in the accompanying financial statements as an expendable trust fund.

NOTE 7 - INTERFUND TRANSACTIONS

The following schedules summarize individual interfund and component unit receivable and payable balances at June 30, 2000, and fund transfers for the year then ended (in thousands):

Fund or Component Unit	RECEIVABLES			
	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 140,589	\$ -	\$ 63,749	\$ 204,338
Special Revenue Fund				
Disaster Relief	96	-	-	96
Training & Building	21	-	-	21
Fish & Game	292	-	-	292
Clean Air Protection	67	-	-	67
Enterprise Funds				
Commercial Assistance	11	-	-	11
Other Agencies	235	-	-	235
Internal Service Funds				
Highway Equipment Working Capital	4,375	-	-	4,375
Correctional Industries	370	-	-	370
Information Services	2,954	-	-	2,954
Group Health and Life	118	-	-	118
Retiree Health	150	-	-	150
Trust and Agency Funds:				
Expendable Trust	5,008,681	-	-	5,008,681
Nonexpendable Trust	49,533	-	-	49,533
Pension Trust	2,803	-	-	2,803
Component Units:				
Municipal Bond Bank - Special Revenue	-	-	1,497	1,497
Alaska Student Loan Corporation	-	1,660	-	1,660
Alaska Housing Finance Corporation	-	-	96,982	96,982
Alaska Energy Authority	-	46,432	-	46,432
Alaska Science & Technology Foundation				
Nonexpendable Trust	-	123,632	-	123,632
Alaska Mental Health Trust Authority	-	327,301	-	327,301
University of Alaska	-	12,219	24,813	37,032
Other*	2,345	10	2,200	4,555
TOTAL	\$ 5,212,640	\$ 511,254	\$ 189,241	\$ 5,913,135

Fund or Component Unit	PAYABLES			
	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 3,896,167	\$ -	\$ 104,438	\$ 4,000,605
Special Revenue Fund				
Disaster Relief	1,747	-	-	1,747
Training & Building	350	-	-	350
School	4,054	-	-	4,054
Fish & Game	4,128	-	-	4,128
Enterprise Funds				
Commercial Assistance	456	-	-	456
Energy Assistance	198	-	-	198
Other Agencies	20,151	-	-	20,151
Internal Service:				
Retiree Health	1,787	-	-	1,787
Trust and Agency Funds:				
Expendable Trust	97,619	-	-	97,619
Nonexpendable Trust	1,182,581	-	450,933	1,633,514
Pension Trust	240	-	-	240
Agency Trust	2,078	-	-	2,078
Component Units:				
Municipal Bond Bank - Special Revenue	-	746	1,496	2,242
Municipal Bond Bank – Debt Service	-	-	1	1
Alaska Student Loan Corporation	-	200	2,000	2,200
Alaska Housing Finance Corporation	-	-	96,982	96,982
Alaska Aerospace Development Corporation	-	28	-	28
Alaska Mental Health Trust Authority	-	763	-	763
University of Alaska	-	14	24,813	24,827
Other*	1,084	5,567	12,514	19,165
TOTAL	\$ 5,212,640	\$ 7,318	\$ 693,177	\$ 5,913,135

Fund or Component Unit	OPERATING TRANSFERS IN			
	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 6,099	\$ -	\$ 14,301	\$ 20,400
Special Revenue Funds				
Disaster Relief	7,271	-	-	7,271
Fish & Game	1,126	-	-	1,126
Debt Service	1,765	-	-	1,765
Enterprise Funds				
Other Agencies	109	-	-	109
Internal Service Funds				
Correctional Industries	1,159	-	-	1,159
Trust and Agency Funds:				
Expendable Trust	1,281,286	-	-	1,281,286
Component Units:				
Municipal Bond Bank - Special Revenue	-	-	1,746	1,746
Municipal Bond Bank - Debt Service	-	-	1	1
Alaska Energy Authority	-	12,583	3,600	16,183
Alaska Aerospace Development Corporation	-	-	655	655
Alaska Mental Health Trust Authority - Nonexpendable Trust	-	27,063	-	27,063
Alaska Science & Technology Foundation - Endowment Fund - Nonexpendable Trust	-	10,237	-	10,237
Alaska Science & Technology Foundation - International Trade & Business Endowment - Nonexpendable Trust	-	499	-	499
University of Alaska	-	179,187	2,630	181,817
Other*	1,537	11,064	17,309	29,910
TOTAL	<u>\$ 1,300,352</u>	<u>\$ 240,633</u>	<u>\$ 40,242</u>	<u>\$ 1,581,227</u>
OPERATING TRANSFERS OUT				
Fund or Component Unit	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 120,265	\$ -	\$ 180,252	\$ 300,517
Special Revenue Funds				
National Petroleum Reserve	-	-	9,163	9,163
Enterprise Funds				
Commercial Assistance	526	-	-	526
Energy Assistance	196	-	10,645	10,841
Other Agencies	900	-	-	900
Trust and Agency Funds:				
Nonexpendable Trust	1,175,465	-	37,799	1,213,264
Component Units:				
Municipal Bond Bank - Special Revenue	-	746	1,747	2,493
Industrial Development & Export Authority - Revolving Fund	-	26,000	-	26,000
Alaska Science & Technology Foundation - Endowment Fund - Nonexpendable Trust	-	-	8,149	8,149
Other*	3,000	-	6,374	9,374
TOTAL	<u>\$ 1,300,352</u>	<u>\$ 26,746</u>	<u>\$ 254,129</u>	<u>\$ 1,581,227</u>

Fund or Component Unit	RESIDUAL EQUITY TRANSFERS IN			
	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 105	\$ -	\$ 165,144	\$ 165,249
Enterprise Funds				
Other Agencies	2,991	-	-	2,991
Trust and Agency Funds:				
Expendable Trust	258	-	-	258
Nonexpendable Trust	310,595	-	-	310,595
Component Units				
Alaska Energy Authority	-	86,908	-	86,908
Alaska Mental Health Trust Authority – Nonexpendable Trust	-	1	-	1
Other*	1	302,342	5,794	308,137
TOTAL	\$ 313,950	\$ 389,251	\$ 170,938	\$ 874,139

Fund or Component Unit	RESIDUAL EQUITY TRANSFERS OUT			
	Interfund	Primary Government	Component Units	Total
Primary Government				
General Fund	\$ 304,119	\$ -	\$ 205,382	\$ 509,501
Special Revenue Funds				
Training and Building	258	-	-	258
National Petroleum Reserve	3,136	-	-	3,136
Enterprise Funds				
Commercial Assistance	105	-	-	105
Energy Assistance	-	-	83,868	83,868
Trust and Agency Funds				
Expendable Trust	-	-	100,000	100,000
Component Units:				
Alaska Housing Finance Corporation	-	96,228	5,794	102,022
Other*	6,332	68,916	1	75,249
TOTAL	\$ 313,950	\$ 165,144	\$ 395,045	\$ 874,139

* The "Other" category is a combination (net) of various items that are not consistently reported in the three classifications identified above. This inconsistency results from: (1) a difference in the basis of accounting such as College and Universities are not on the same basis as the general fund and enterprise funds, enterprise funds are on the full accrual accounting basis while the governmental funds are on the modified accrual basis; (2) timing differences due to differing fiscal year ends; (3) some inconsistent classifications as a result of the nature of the operation, and (4) unique to FY 00, residual equity transfers in and out of AEA are disclosed as changes to Alaska Energy Authority contributed capital (see Note 1.A).

NOTE 8 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The following schedule presents financial segment information for State-run enterprise funds (stated in millions) for the fiscal year ended June 30, 2000.

The State of Alaska International Airport System (AIAS) was created to equip, finance, maintain, and operate the two international airports located at Anchorage and Fairbanks, Alaska. The airports are under the administration of the Alaska Department of Transportation and Public Facilities.

The Commercial Fishing Revolving Loan Fund (CFRLF) was established to promote the development and continued maintenance of commercial fishing gear and vessels by means of long-term, low interest loans.

The Fisheries Enhancement Revolving Loan Fund (FERLF) was created to promote the enhancement of the State's fisheries by means of long-term, low interest loans for salmon hatchery planning, construction, and operation.

The Alaska Clean Water Fund (CWF) was established for the purpose of making loans for public water and sewage treatment facilities.

	AIAS	CFRLF	FERLF	CWF	All Other State Funds	Total State Operated
Operating Revenues	\$ 56.7	\$ 8.3	\$ 5.8	\$ 1.9	\$ 3.1	\$ 75.8
Operating Expenses:						
Depreciation	18.5	-	-	-	-	18.5
All Other	42.5	2.7	1.3	0.4	3.4	50.3
Total Expenses	61.0	2.7	1.3	0.4	3.4	68.8
Operating Income (Loss)	(4.3)	5.6	4.5	1.5	(0.3)	7.0
Nonoperating Revenue	4.4	-	-	1.8	0.7	6.9
Nonoperating Expenses	(1.5)	-	-	-	(0.2)	(1.7)
Gain (Loss) on Disposal of Fixed Assets	-	-	-	-	(0.1)	(0.1)
Operating Transfer In (Out) - net	-	(0.1)	-	-	(12.0)	(12.1)
Net Income (Loss)	\$ (1.4)	\$ 5.5	\$ 4.5	\$ 3.3	\$ (11.9)	\$ 0.0
Net Working Capital	\$ 240.2	\$ 23.5	\$ 8.4	\$ 35.7	\$ 15.8	\$ 323.6
Notes & Loans Receivable	-	77.4	66.4	86.6	24.5	254.9
Repossessed Property	-	0.3	-	-	0.8	1.1
Property, Plant, & Equipment - net	319.4	-	-	-	3.6	323.0
Construction in Progress	61.1	-	-	-	-	61.1
Total Assets	647.3	107.7	95.1	122.3	52.9	1,025.3
Revenue Bonds Payable	227.8	-	-	-	-	227.8
Capital Lease	-	-	-	-	-	-
Fund Equity	393.0	106.9	94.5	122.3	51.6	768.3
Additions to Fixed Assets:						
Net Outlays (Abatements), Purchases, Bond Proceeds, or Appropriations	53.4	-	-	-	0.8	54.2
Deletions of Fixed Assets	-	-	-	-	-	-
Equity Transfers In (Out)	-	-	-	1.6	(60.6)	(59.0)

NOTE 9 - COMMITMENTS AND CONTINGENCIES

A. SICK LEAVE

The cost of State employee sick leave is charged against agency appropriations when leave is used rather than when leave is earned. There is no recorded liability for sick leave in the financial records of the State. Accordingly, the statements in this report do not include an estimate of this obligation as either a liability or a reserve.

Accumulated sick leave may be used only for actual illness. When an employee separates from State service, any sick leave balance to their credit is reduced to zero without additional compensation to the employee.

The estimated amount of unused accumulated sick leave as of June 30, 2000, is \$68 million. This amount was calculated using the base pay on file for each employee as of June 30, 2000. It does not include an estimate of the cost of fringe benefits (supplemental benefits, retirement, group insurance, etc.) which can vary from 5 percent to 28 percent of gross pay depending on the status of the employee when leave is taken.

B. SCHOOL DEBT

Under a program enacted in 1970 (AS 14.11.100), the State may reimburse municipalities up to 80, 90, or 100 percent of debt service on bonds issued to finance school construction. The percentage depends on the year in which the costs are incurred. The 80 percent limitation, enacted in 1985, applies to fiscal years after June 30, 1983. The higher percentages apply to earlier years.

Although the statute provides that the State may reimburse school districts 80, 90, or 100 percent of construction costs, the actual funding for the program is dependent on annual legislative appropriations to the school construction account. When amounts in the account are insufficient, the available funds are allocated pro rata among the eligible school districts. There is no contractual commitment by the State to make these payments. The amount for FY 00 expended for school debt was \$64.3 million, which was 100 percent of the entitlement. The total debt requirement assuming the State makes full payment of its share of school debt service would be approximately \$506.2 million. The State has in the past and may in the future appropriate less than the full amount to which the municipalities are entitled under statute.

C. RISK MANAGEMENT AND SELF-INSURANCE

The State maintains a risk management program that is administered by the Department of Administration, Division of Risk Management. The Division of Risk Management's objective is to protect the financial assets and operations of the State of Alaska from accidental loss through a comprehensive self-insurance program for normal and expected property and casualty claims of high frequency and low severity, combined with high-limit, broad-form excess insurance protection for catastrophic loss exposures.

Risk Management acts as the insurance carrier for each State agency, funding all sudden and accidental property and casualty claims. The annual premiums allocated by Risk Management are the maximum each agency is called upon to pay. This planning for known and catastrophic losses forestalls the need for the affected agency to seek supplemental appropriation or disrupt vital State services after a major property loss, adverse civil jury award, or significant workers' compensation claim.

By effectively managing the State's property and liability exposures through a comprehensive self-insurance program, Risk Management expends fewer public funds than would be paid to private insurance companies at the same time providing streamlined claims services utilizing professional adjusting firms located throughout Alaska.

Property insurance with all-risk (including earthquake and flood) coverage is provided on a replacement cost basis for all State-owned or leased property; buildings (including contents, museum fine arts, etc.), aircraft, watercraft (Alaska Marine Highway System ferries and other agency vessels), large highway bridges, and hydroelectric power dams.

Casualty coverages protect each State agency and their personnel from third-party civil (tort) liability claims alleged to have arisen from combined liability - general (premises/operations), automobile, professional (errors and omissions), medical malpractice, aviation (aircraft and airport) or marine (crew and passenger injuries).

Additional specialty coverages - blanket public employee faithful performance and custom bonding, accidental death and disability (including medical expenses) for volunteers, computer fraud and foreign liability, etc. These insurance programs continually evolve, responding to new activities and special projects undertaken by each State agency. There has been no significant reduction in insurance coverage from previous years and the State has not incurred a loss in excess of its insurance program.

In FY 00, the State completely self-insured all statutory workers' compensation claims, the first \$5 million per occurrence for general (premises and operations) and professional liability, \$2 million per loss in automobile liability, \$1 million per claim for property and marine risks, and \$250,000 per incident for airport and aviation liability exposures. Limits of excess insurance vary by risk, reaching up to \$250 million per occurrence for marine and \$500 million for aviation. Additional information concerning specific areas of coverage is available from the Division of Risk Management on request. The policies extend to cover all State agencies.

Approximately 50 insurance companies and various Lloyd's of London underwriting syndicates participate in the State of Alaska's excess insurance program. Marketing is provided by independent brokers. The State obtains an annual independent actuarial assessment of the State insurance program as required by AS 37.05.287 (b).

An unconstrained audit of the State of Alaska's overall property and casualty insurance program performed by an independent risk management consultant found the retention levels and excess insurance coverage purchased are appropriate.

Risk Management's budget is funded entirely through interagency receipts annually billed each agency through a "Cost of Risk" premium allocation system. The Risk Management information system generates the annual cost of risk allocation to each agency, reflecting their proportionate share of the State's overall cost of risk. Designed to achieve equitable distribution of the self-insurance program costs, it factors exposure values subject to loss and considers the past five years actual claims experience incurred by each department.

For most cost of risk allocations, 80 percent of the premium billing is based on the average of the past five years actual claims experience. This provides each agency a direct fiscal incentive to reduce or control their claim costs.

The program compiles a property inventory schedule of all owned or leased buildings used or occupied by State agencies, listing age and type of building construction, occupancy, fire protection services and sprinkler systems, and projected replacement cost value. Individual premiums are then determined and, in cases of multiple occupancy, allocated to each department on the basis of their square foot use.

The "Cost of Risk" premium is collected through two methods from individual State agency operating budgets. Reimbursable Services Agreements (RSAs) are used for all categories of insurance other than Workers' Compensation and Combined Liability (general, auto, and professional) which are assessed on a rate per \$100 payroll applied monthly to each agency's actual payroll until the allocated premium is paid.

Total payments made for insurance premiums and self-insured claims for FY 00 amounted to \$24,352,868. This amount compares with FY 98 and FY 99 as follows:

FY 98	\$ 26,279,765
FY 99	\$ 27,131,169
FY 00	\$ 24,352,868

The actuarial estimate of total outstanding loss liability arising from self-insured claims made in prior years through June 30, 2000, is \$81,626,449. This amount has been reported as long-term debt obligations. This amount compares with the actuarial estimate for FY 98 and FY 99 as follows:

FY 98	\$ 87,578,291
FY 99	\$ 81,212,590
FY 00	\$ 81,626,449

D. LITIGATION

The State is involved in a number of legal actions. The Department of Law estimates the probable maximum liability for the cases associated with the governmental fund types to be approximately \$10.6 million, with an additional possible liability of \$40.2 million. The probable loss amount has been reported as long-term debt obligations.

E. FEDERAL GRANTS

The State has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, it is believed that any required reimbursements will not be material.

F. DISASTER RELIEF FUND

The State may be liable to reimburse communities for expenditures related to disasters in excess of the amount allocated by the State.

G. DISCRETELY PRESENTED COMPONENT UNITS

At June 30, 2000, the Alaska Industrial Development and Export Authority (AIDEA) held approximately \$115,927,000 of investments in trust for the construction of two intertie projects, and held approximately \$12,433,000 of investments in trust for others under various agreements. The moneys and related liability are not reflected in the accompanying financial statements. AIDEA also had extended commitments for loans of \$7,699,347 and loan guarantees of \$2,319,458.

The Alaska Railroad Corporation (ARRC) has entered into an agreement to purchase 16 locomotives for approximately \$32.3 million. The locomotives are scheduled for delivery in the first half of calendar year 2000. The Board of Directors has designated assets and restricted assets with carrying values of \$12,107,000 and \$20,359,000 respectively toward the purchase of these locomotives.

Combining and Individual Fund Financial Statements





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General Fund

The general fund is the State's primary operating fund. All public monies and revenues coming into the State treasury not specifically authorized by statute to be placed in a special fund constitute the general fund. Unlike other funds held in the name of the State, the general fund has become a fundamental component of our fund structure without benefit of formal creation by the Constitution or the Alaska Statutes.

There are several accounts and funds that have been created by law which are considered a part of the general fund. These are treated as subfunds of the general fund and are accounted for as individual funds for accounting purposes but they are included in the general fund for annual financial reporting purposes. The following lists those funds and accounts.

Alaska Debt Retirement Fund - AS 37.15.011 - The fund consists of all money appropriated to it. The fund was established to help meet the general fund debt obligations of the State and its political subdivisions, to fund lease-purchases, and to finance capital projects with money remaining after debt obligations are paid.

Alaska Historical Commission Receipts Account - AS 41.35.380 - Administered by Department of Natural Resources. Consists of all monetary gifts, grants, bequests, royalties, and other income received by the Alaska Historical Commission and is used for commission projects.

Alaska Marine Highway System Fund - AS 19.65.060 - Administered by Department of Transportation and Public Facilities, Alaska Marine Highway System. The fund is to enable the system to manage and operate in a manner that will enhance performance and accountability by allowing the system to account for and spend its generated revenue.

Alaska Marine Highway System Vessel Replacement Fund - AS 37.05.550 - Managed by Department of Revenue. The fund consists of money appropriated to it by the Legislature. The legislature may appropriate money from the fund for refurbishment of existing State ferry vessels, acquisition of additional State ferry vessels, or replacement of retired or outmoded State ferry vessels.

Alaska Surplus Property Fund - AS 37.05.500(a)(2), AS 44.68.130 - Administered by Department of Administration. This fund is to account for revenues from the users or purchasers of excess federal property that the State has acquired and is used to pay the administrative expenses incurred in managing this property.

Alaska Transportation Infrastructure Bank – Section 350 of the National Highway System Designation Act of 1995 Federal Law – Managed by the Department of Transportation and Public Facilities. This fund was established as a pilot program with the U.S. Department of Transportation to increase infrastructure investment in the private sector. The fund has the ability to make loans and provide other forms of credit assistance to public and private entities to carry out highway construction and transit capital projects.

Art in Public Places Fund - AS 44.27.060 - Administered by Alaska State Council on the Arts. This fund consists of one percent of the construction cost of buildings exempt from AS 35.27. The money is used to commission or purchase art for public State-owned or leased buildings or facilities.

Assistive Technology Loan Guarantee Fund - AS 23.15.125 - Administered by Department of Labor and Workforce Development, Division of Vocational Rehabilitation (DVR). The fund consists of money appropriated to it. DVR may solicit and accept available public and private money for distribution from the fund. Money in the fund may be used to guarantee 90 percent of the principal amount of a loan or to subsidize the interest rate of a loan guaranteed by DVR for appropriate assistive technology.

Donated Commodity Fee Fund - USC 7 CFR, Part 250 - Administered by Department of Education and Early Development. This fund consists of monies from federal agencies and recipients of goods. It is intended to cover the cost of the distribution of federal surplus food to schools, childcare institutions, nonprofit camps for children, charitable institutions for minors, nutrition programs for the elderly, and assistance to needy persons.

Educational Facilities Maintenance and Construction Fund - AS 37.05.560 - Money in the fund may be appropriated to finance the design, construction, and maintenance of public school facilities and for maintenance of the University of Alaska facilities.

Electrical Service Extension Fund - AS 42.45.200 - Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.

Employment Assistance and Training Program Account -AS 23.15.625 - Administered by Department of Labor and Workforce Development. The account consists of amounts collected under the provision of AS 23.15.630. The annual estimated balance in the account may be appropriated by the legislature to the department to implement AS 23.15.620 - 23.15.660. The legislature may appropriate the lapsing balance of the account to the unemployment compensation fund established in AS 23.20.130.

Exxon Valdez Oil Spill Unincorporated Rural Community Grant Fund – AS 44.33.115 – Administered by the Department of Community and Economic Development. The department may use the fund to make grants to unincorporated rural communities in the area affected by the Exxon Valdez oil spill for capital projects for purposes of restoring, replacing, or enhancing subsistence resources or services or other services damaged or lost as a result of the Exxon Valdez oil spill.

FHWA - Airspace Leases Fund - Section 156 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 requires that the State shall charge fair market value for the sale, use, or lease rentals of right-of-way airspace and that the federal share of these net incomes be used by the State for highway projects. This fund accounts for those revenues. The revenues are available for appropriation by the legislature for highway projects.

FICA Administration Fund - AS 39.30.050 - Administered by Department of Administration. Consists of amounts collected from participating political subdivisions, together with money appropriated by the State for covering the State's share of administrative costs.

Fishermen's Fund - AS 23.35.060 - Administered by Department of Labor and Workforce Development. This fund is composed of 39 percent of the money derived by the State from all commercial fishermen's licenses and money appropriated by the legislature to pay for emergency treatment, transportation, medical care, and hospitalization of commercial fishermen.

Four Dam Pool Transfer Fund - AS 42.45.050 – Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.

Fuel Emergency Fund - AS 26.23.400 - Administered by Office of the Governor. This fund is used when the governor determines that a shortage of fuel is sufficiently severe to justify State assistance to make grants to a city or borough, or to a village or unincorporated community to purchase emergency supplies of fuel.

Fund for the Improvement of School Performance - AS 14.03.125 - Administered by Department of Education and Early Development. It is used to make grants to a district located in the State for the purpose of improving school performance.

Major Maintenance Grant Fund - AS 14.11.007 - Administered by Department of Education and Early Development. The fund is used to make grants for the cost of school major maintenance.

Municipal Capital Project Matching Grant Fund - AS 37.06.010 - Administered by Department of Community and Economic Development. The money in the fund is held by the department in custody for each municipality. Each fiscal year the department allocates individual grants for each municipality.

Oil and Hazardous Substance Release Prevention Mitigation Account - AS 46.08.020(b) - Administered by the Department of Environmental Conservation. This account consists of money received from other State sources, from federal or other sources, or from a private donor; money recovered or otherwise received from parties responsible for the containment and cleanup of oil or a hazardous substance; and fines, penalties, or damages recovered under AS 46.08.005-46.08.080. The legislature may appropriate the amount received in this account (during the preceding calendar year) to the prevention account in the Oil and Hazardous Substance Release Prevention and Response Fund.

Oil and Hazardous Substance Release Response Mitigation Account - AS 46.08.025(b) - Administered by the Department of Environmental Conservation. This account consists of money received from other State sources, from federal or other sources, or from a private donor; money recovered or otherwise received from parties responsible for the containment and cleanup of oil or a hazardous substance at a specific site for which the State expended money from the former oil and hazardous substance release response fund before October 2, 1994, or for which the State expended money from the response account. The legislature may appropriate the amount received in this account (during the preceding calendar year) to the response account in the Oil and Hazardous Substance Release Prevention and Response Fund.

Oil and Hazardous Substance Release Prevention and Response Fund - AS 46.08.010 - Administered by the Department of Environmental Conservation. This fund is composed of two accounts: (1) the prevention account and (2) the response account. The fund consists of appropriations by the legislature of money from private donors, money recovered from parties responsible for cleanup of oil or a hazardous substance, and fines, penalties, or damages recovered under chapter 46. This money is for the containment and cleanup of oil or a hazardous substance; monitoring, assessing, investigating, and evaluating the release or threatened release of oil or a hazardous substance; and recovery of the cost to the State of the containment and cleanup of oil or a hazardous substance.

Power Cost Equalization and Rural Electric Capitalization Fund - AS 42.45.100 - Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.

Railbelt Energy Fund - AS 37.05.520 - Managed by Department of Revenue. The legislature may appropriate money from the fund for programs, projects, and other expenditures to assist in meeting Railbelt energy needs, including projects for retrofitting State-owned buildings and facilities for energy conservation.

Randolph-Sheppard Small Business Fund - AS 23.15.130; 20 USC 107-107(f) - Administered by Department of Education and Early Development. This fund consists of receipts from vending facilities on federal properties and is used to aid only blind licensees in operating vending machine facilities.

Real Estate Surety Fund - AS 08.88.450 - Administered by Department of Community and Economic Development. This fund is composed of payments made by real estate licensees under AS 08.88.455 and filing fees under AS 08.88.460, income earned on investment of the money in the fund, and money deposited in the fund under AS 08.88.450(c). Amounts in the fund may be appropriated for claims against the fund, for hearing and legal expenses directly related to fund operations and claims, and real estate educational purposes.

School Construction Grant Fund - AS 14.11.005 - Administered by Department of Education and Early Development. The fund shall be used to make grants for the costs of school construction. Legislative appropriations for school construction shall be deposited in the fund and the proceeds from the sale of general obligation bonds for school construction may be deposited in the fund.

School Trust Land Sales - Established per Attorney General memo regarding Public School Trust Litigation. Used to separately account for the sales of 21 parcels of public school trust land the status of which is in litigation.

Second Injury Fund - AS 23.30.040 - Administered by Department of Labor and Workforce Development. The second injury fund consists of all amounts collected under AS 23.30.040(b) and (c), and as civil penalties under AS 23.30.155(c). Money in the fund may only be paid for the benefit of those persons entitled to payment of benefits from the Second Injury Fund under AS 23.30

Southeast Energy Fund - AS 42.45.040 - Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.

State Insurance Catastrophe Reserve Account - AS 37.05.289 - Administered by Department of Administration. Assets of the account may be used to obtain insurance, to establish reserves for the self-insurance program, and to satisfy claims or judgements arising under the program.

Storage Tank Assistance Fund - AS 46.03.410 - Administered by Department of Environmental Conservation. The fund consists of money appropriated to it by the legislature. The receipts of the fund may be used for certain costs as defined in AS 46.03.410(a) relating to underground petroleum storage tank systems and for grants and loans.

TAPS Rebate Fund - Federal Public Law 101-380, sec. 8102(a)(B)(I). - The federal government has rebated the pro rata share of the federal TAPS (Trans-Alaska Pipeline Liability Fund) to the State of Alaska for its contributions as an owner of oil. The funds are to be used for the remediation of above-ground storage tanks.

Unincorporated Community Capital Project Matching Grant Fund - AS 37.06.020 - Administered by Department of Community and Economic Development. This fund was created for unincorporated communities to acquire or improve an asset with an anticipated life exceeding one year and includes land acquisition, construction, repair or structural improvement of a facility, engineering and design for a facility, and acquisition or repair of equipment.

Vocational Rehabilitation Small Business Enterprise Revolving Fund - AS 23.15.130 - Administered by Department of Labor and Workforce Development, Division of Vocational Rehabilitation. This fund consists of receipts from the net proceeds of vending facilities on public property. The annual estimated receipts of the fund may be used by the legislature to make appropriations to the department to aid licensees in operating vending machine facilities.

**STATE OF ALASKA
BALANCE SHEET
GENERAL FUND
June 30, 2000
(Stated in Thousands)**

STATEMENT 2.01

	June 30, 2000
ASSETS:	
CASH AND INVESTMENTS:	
Cash in Transit	\$ 824
Imprest Cash	230
Deposits with State Treasurer	572,364
TOTAL CASH AND INVESTMENTS	573,418
RECEIVABLES:	
Accounts Receivable	185,412
Due from Federal Government	231,977
Interest Receivable	702
Due from Other Funds	140,589
Due from Component Units	63,749
Loans and Notes Receivable	15,527
TOTAL RECEIVABLES	637,956
Inventories, at Cost	10,926
Other Assets	13,517
TOTAL ASSETS	\$ 1,235,817
LIABILITIES AND FUND BALANCE:	
LIABILITIES:	
Warrants Outstanding	\$ 67,629
Accounts Payable	157,249
Payroll and Taxes Withheld	53,081
Due to Federal Government	68,042
Due to Other Funds	3,896,167
Due to Component Units	104,438
Deferred Revenues	40,533
Other Liabilities	2,962
TOTAL LIABILITIES	4,390,101
FUND BALANCE:	
Reserved:	
Reserved for Encumbrances	125,203
Reserved for Nonliquid Assets	28,416
Reserved for Other	33,659
TOTAL RESERVED	187,278
Unreserved, Designated:	
Designated for Continuing Appropriations	180,918
Designated for Other	197,944
TOTAL UNRESERVED, DESIGNATED	378,862
Unreserved, Undesignated (See Note 1.M.)	(3,720,424)
TOTAL FUND BALANCE	(3,154,284)
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,235,817

STATE OF ALASKA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 2.02

	Totals Year Ended
	June 30, 2000
REVENUES:	
Taxes	\$ 1,132,510
Licenses and Permits	69,233
Charges for Services	122,670
Fines and Forfeitures	46,179
Rents and Royalties	
General Fund	742,335
Alaska Permanent Fund	301,081
Interest and Investment Income	47,054
Federal	1,216,447
Other	47,799
TOTAL REVENUES	3,725,308
EXPENDITURES:	
Current Operating	
General Government	187,587
Education	833,054
Health and Social Services	1,169,493
Law, Justice, and Public Protection	448,492
Natural Resources	120,943
Development	18,634
Transportation	156,117
Capital Outlay	545,788
Intergovernmental	73,733
TOTAL EXPENDITURES	3,553,841
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	171,467
OTHER FINANCING SOURCES (USES):	
Operating Transfers (Out to) Other Funds	(120,265)
Operating Transfers (Out to) Component Units	(180,252)
Operating Transfers In from Other Funds	6,099
Operating Transfers In from Component Units	14,301
TOTAL OTHER FINANCING SOURCES (USES)	(280,117)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(108,650)
FUND BALANCE, BEGINNING OF YEAR	(2,702,554)
Residual Equity Fund Transfers (to) Other Funds	(304,119)
Residual Equity Fund Transfers (to) Component Units	(205,382)
Residual Equity Fund Transfers from Other Funds	105
Residual Equity Fund Transfers from Component Units	165,144
Prior Period Adjustment	1,172
FUND BALANCE, END OF YEAR	\$ (3,154,284)



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Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The following are the State's special revenue funds.

Disaster Relief Fund - AS 26.23.300 - Administered by Office of the Governor and Department of Military and Veterans Affairs. This fund provides resources to alleviate the effects of disasters wherever and whenever they may occur in the State.

Training and Building Fund - AS 23.20.130(d) - Administered by Department of Labor and Workforce Development. This fund consists of interest and penalties for failure to file timely reports and pay contributions to the Unemployment Compensation Fund. It may be used for the administration of the Employment Security Act when federal funds are not available; participation in programs of manpower training; and acquisition of land and buildings for the purpose of providing office space for the department.

School Fund - AS 43.50.140 - Administered by Department of Revenue and Department of Education and Early Development. This fund receives the revenue from the payment of cigarette taxes, fees, and penalties. It can only be used to rehabilitate, construct, and repair the State's school facilities, and for costs of insurance on buildings comprising school facilities.

Fish and Game Fund - AS 16.05.100 - Administered by Department of Fish and Game. Statutory revenue in this fund can only be used for the purpose of protection, propagation, investigation, and restoration of sport fish and game resources and the expenses of administering the sport fish and wildlife divisions of Department of Fish and Game. These monies are received from the sale of State sport fishing and hunting licenses and special permits; sale of furs, skins, and specimens taken by predator hunters; money received in settlement of a claim or loss caused by damage to fish and game purposes; and donations. In addition to the statutory revenues, federal revenues, crewmember license fees, and other sources are appropriated to the fund for purposes related to fish and wildlife.

National Petroleum Reserve Fund - AS 37.05.530 - Administered by Department of Community and Economic Development. This fund consists of all money disbursed to the State by the federal government under 42 U.S.C. 6508 since December 12, 1980, less the amount deposited in the general fund and expended by the State by general fund appropriations before June 9, 1984. The monies are spent by municipalities to alleviate the impact from oil and gas development within the National Petroleum Reserve.

Reclamation Bonding Pool Fund - AS 27.19.040 - Administered by Department of Natural Resources. A miner is required to have an approved reclamation plan and to file a performance bond before mining operations may commence. This fund is established as a statewide bonding pool as an alternative to individual performance bonds.

Clean Air Protection Fund - AS 46.14.260 and Federal Clean Air Act - Administered by Department of Environmental Conservation. The fund is established to collect and account for permit fees under the federal clean air act. Monies collected may only be used to cover reasonable costs required to support the permit program.

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 3.01

	Disaster Relief	Training and Building	School	Fish and Game
ASSETS:				
Cash and Investments	\$ 18,627	\$ 514	\$ 7,680	\$ 15,499
Accounts Receivable			2,823	6
Due from Federal Government	3,305			25
Due from Other Funds	96	21		292
Loans Receivable - Net	241			
Advances	798			
TOTAL ASSETS	\$ 23,067	\$ 535	\$ 10,503	\$ 15,822
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Warrants Outstanding	\$ 1,813	\$	\$ 63	\$ 23
Accounts Payable	1,562	1	3,427	46
Due to Other Funds	1,747	350	4,054	4,128
Deferred Revenues	7,147			
Other Liabilities				
TOTAL LIABILITIES	12,269	351	7,544	4,197
FUND BALANCES:				
Reserved:				
Reserved for Encumbrances	2,337			1,075
Reserved for Loans and Advances	9			
TOTAL RESERVED	2,346	0	0	1,075
Unreserved, Designated	7,327			4,023
Unreserved, Undesignated	1,125	184	2,959	6,527
TOTAL FUND BALANCES	10,798	184	2,959	11,625
TOTAL LIABILITIES AND FUND BALANCES	\$ 23,067	\$ 535	\$ 10,503	\$ 15,822
LEGAL REFERENCE: Alaska Statute	26.23.300	23.20.130	43.50.140	16.05.100

STATEMENT 3.01

National Petroleum Reserve	Reclamation Bonding Pool	Clean Air Protection	Totals
			June 30, 2000
\$ 28,000	\$ 895	\$ 396	\$ 71,611
			2,829
			3,330
		67	476
			241
			798
<u>\$ 28,000</u>	<u>\$ 895</u>	<u>\$ 463</u>	<u>\$ 79,285</u>
\$ 50	\$ 3	\$ 13	\$ 1,915
			5,086
			10,279
		2	7,149
	313		313
<u>50</u>	<u>316</u>	<u>15</u>	<u>24,742</u>
27,950		9	31,371
			9
<u>27,950</u>	<u>0</u>	<u>9</u>	<u>31,380</u>
	579	107	11,457
		332	11,706
<u>27,950</u>	<u>579</u>	<u>448</u>	<u>54,543</u>
<u>\$ 28,000</u>	<u>\$ 895</u>	<u>\$ 463</u>	<u>\$ 79,285</u>
37.05.530	27.19.040	46.14.260	

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 3.02

	Disaster Relief	Training and Building	School	Fish and Game
REVENUES:				
Taxes	\$	\$	\$ 32,992	\$
Licenses and Permits				22,820
Charges for Services				50
Fines and Forfeitures				112
Rents and Royalties				
Interest and Investment Income	11			930
Federal	9,987			387
Other		653		
TOTAL REVENUES	9,998	653	32,992	24,299
EXPENDITURES:				
Current Operating				
General Government			130	1,309
Education			43,836	
Health and Social Services		570		
Law, Justice, and Public Protection	13,564			
Natural Resources				22,072
Capital Outlay	284			3,273
Intergovernmental				
TOTAL EXPENDITURES	13,848	570	43,966	26,654
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,850)	83	(10,974)	(2,355)
OTHER FINANCING SOURCES (USES):				
Operating Transfers (Out to) Component Units				
Operating Transfers In from Other Funds	7,271			1,126
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	3,421	83	(10,974)	(1,229)
FUND BALANCES, BEGINNING OF YEAR	10,904	359	11,648	12,854
Residual Equity Fund Transfers (to) Other Funds		(258)		
Prior Period Adjustment	(3,527)		2,285	
FUND BALANCES, END OF YEAR	\$ 10,798	\$ 184	\$ 2,959	\$ 11,625

STATEMENT 3.02

National Petroleum Reserve	Reclamation Bonding Pool	Clean Air Protection	Totals Year Ended
			June 30, 2000
\$	\$	\$	\$
		2,034	32,992
			24,854
			50
			112
40,299			40,299
			941
			10,374
	54		707
40,299	54	2,034	110,329
			1,439
			43,836
			570
			13,564
		1,747	23,819
			3,557
50			50
50	0	1,747	86,835
40,249	54	287	23,494
(9,163)			(9,163)
			8,397
31,086	54	287	22,728
0	525	161	36,451
(3,136)			(3,394)
			(1,242)
\$ 27,950	\$ 579	\$ 448	\$ 54,543

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 3.03

	Disaster Relief		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES:			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits			
Charges for Services			
Fines and Forfeitures			
Rents and Royalties			
Interest and Investment Income		11	11
Other			
TOTAL UNRESTRICTED	0	11	11
Restricted			
Federal	26,073	9,987	(16,086)
TOTAL RESTRICTED	26,073	9,987	(16,086)
TOTAL REVENUES	26,073	9,998	(16,075)
EXPENDITURES:			
Current Operating			
General Government			
Education			
Health and Social Services			
Law, Justice, and Public Protection	71,316	22,620	48,696
Natural Resources			
Capital Outlay	456	456	0
Intergovernmental			
TOTAL EXPENDITURES	71,772	23,076	48,696
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(45,699)	(13,078)	32,621
OTHER FINANCING SOURCES (USES):			
Operating Transfers (Out to) Component Units			
Operating Transfers In from Other Funds	7,271	7,271	0
Residual Equity Fund Transfers (Out to) Other Funds			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS	\$ (38,428)	(5,807)	\$ 32,621
RECONCILIATION OF BUDGETARY / GAAP REPORTING:			
Adjust Expenditures for Encumbrances		9,228	
Basis Difference			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS		3,421	
FUND BALANCES, BEGINNING OF YEAR		10,904	
Prior Period Adjustment		(3,527)	
FUND BALANCES, END OF YEAR		\$ 10,798	

Training and Building			School		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$ 45,795	\$ 32,454	\$ (13,341)
573	653	80			
573	653	80	45,795	32,454	(13,341)
0	0	0	0	0	0
573	653	80	45,795	32,454	(13,341)
			130	130	0
			45,665	43,836	1,829
573	570	3			
573	570	3	45,795	43,966	1,829
0	83	83	0	(11,512)	(11,512)
		0			
(258)	(258)	0			
\$ (258)	(175)	\$ 83	\$ 0	(11,512)	\$ (11,512)
				538	
	(175)			(10,974)	
	359			11,648	
				2,285	
\$	184		\$	2,959	

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 3.03

	Fish and Game		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES:			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits	21,168	22,820	1,652
Charges for Services	32	50	18
Fines and Forfeitures	491	112	(379)
Rents and Royalties			
Interest and Investment Income	900	930	30
Other			
TOTAL UNRESTRICTED	22,591	23,912	1,321
Restricted			
Federal	2,025	387	(1,638)
TOTAL RESTRICTED	2,025	387	(1,638)
TOTAL REVENUES	24,616	24,299	(317)
EXPENDITURES:			
Current Operating			
General Government	1,309	1,309	0
Education			
Health and Social Services			
Law, Justice, and Public Protection			
Natural Resources	23,093	22,609	484
Capital Outlay	9,474	4,199	5,275
Intergovernmental			
TOTAL EXPENDITURES	33,876	28,117	5,759
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,260)	(3,818)	5,442
OTHER FINANCING SOURCES (USES):			
Operating Transfers (Out to) Component Units			
Operating Transfers In from Other Funds	1,126	1,126	0
Residual Equity Fund Transfers (Out to) Other Funds			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS	\$ (8,134)	(2,692)	\$ 5,442
RECONCILIATION OF BUDGETARY / GAAP REPORTING:			
Adjust Expenditures for Encumbrances		1,463	
Basis Difference			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS		(1,229)	
FUND BALANCES, BEGINNING OF YEAR		12,854	
Prior Period Adjustment			
FUND BALANCES, END OF YEAR		\$ 11,625	

National Petroleum Reserve			Reclamation Bonding Pool		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$	\$	\$	\$	\$	\$
40,299	40,299	0			
				54	54
40,299	40,299	0	0	54	54
0	0	0	0	0	0
40,299	40,299	0	0	54	54
28,000	28,000	0			
28,000	28,000	0	0	0	0
12,299	12,299	0	0	54	54
(9,163)	(9,163)	0			
(3,136)	(3,136)	0			
\$ 0	0	\$ 0	\$ 0	54	\$ 54
27,950					
27,950				54	
0				525	
\$ 27,950			\$ 579		

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS (CONTINUED)
ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 3.03

	Clean Air Protection		
	Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES:			
Unrestricted			
Taxes	\$	\$	\$
Licenses and Permits	2,140	2,034	(106)
Charges for Services			
Fines and Forfeitures			
Rents and Royalties			
Interest and Investment Income			
Other			
TOTAL UNRESTRICTED	2,140	2,034	(106)
Restricted			
Federal			
TOTAL RESTRICTED	0	0	0
TOTAL REVENUES	2,140	2,034	(106)
EXPENDITURES:			
Current Operating			
General Government			
Education			
Health and Social Services			
Law, Justice, and Public Protection			
Natural Resources	2,140	1,756	384
Capital Outlay			
Intergovernmental			
TOTAL EXPENDITURES	2,140	1,756	384
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	0	278	278
OTHER FINANCING SOURCES (USES):			
Operating Transfers (Out to) Component Units			
Operating Transfers In from Other Funds			
Residual Equity Fund Transfers (Out to) Other Funds			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, BUDGETARY BASIS	\$ 0	278	\$ 278
RECONCILIATION OF BUDGETARY / GAAP REPORTING:			
Adjust Expenditures for Encumbrances		9	
Basis Difference			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES, GAAP BASIS		287	
FUND BALANCES, BEGINNING OF YEAR		161	
Prior Period Adjustment			
FUND BALANCES, END OF YEAR		\$ 448	

STATEMENT 3.03

Totals		
Final Revised Budget	Actual	Variance - Favorable (Unfavorable)
\$ 45,795	\$ 32,454	\$ (13,341)
23,308	24,854	1,546
32	50	18
491	112	(379)
40,299	40,299	0
900	941	41
573	707	134
111,398	99,417	(11,981)
28,098	10,374	(17,724)
28,098	10,374	(17,724)
139,496	109,791	(29,705)
1,439	1,439	0
45,665	43,836	1,829
573	570	3
71,316	22,620	48,696
25,233	24,365	868
9,930	4,655	5,275
28,000	28,000	0
182,156	125,485	56,671
(42,660)	(15,694)	26,966
(9,163)	(9,163)	0
8,397	8,397	0
(3,394)	(3,394)	0
\$ (46,820)	(19,854)	\$ 26,966
	38,650	
	538	
	19,334	
	36,451	
	(1,242)	
	\$ 54,543	



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Debt Service Fund

The debt service fund accounts for the accumulation of resources for, and the payment of, principal, interest, and related costs of general obligation bonds.

STATE OF ALASKA
BALANCE SHEET
DEBT SERVICE FUND
June 30, 2000
(Stated in Thousands)

STATEMENT 4.01

	<u>June 30, 2000</u>
ASSETS:	
Cash and Investments	<u>\$ 0</u>
FUND BALANCE:	
Reserved for G O Bond Residual	<u>\$ 0</u>

STATE OF ALASKA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 4.02

	<u>June 30, 2000</u>
EXPENDITURES:	
Debt Service	\$ 2,433
OTHER FINANCING SOURCES (USES):	
Operating Transfers In from Other Funds	<u>1,765</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(668)
FUND BALANCE, BEGINNING OF YEAR	668
Residual Equity Fund Transfers from Other Funds	
FUND BALANCE, END OF YEAR	<u><u>\$ 0</u></u>



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Capital Projects Funds

Capital projects funds account for general obligation bond proceeds and other financial resources appropriated to the capital projects funds to be used for the acquisition, construction, or improvement of major capital facilities (other than those financed by the general fund, proprietary funds, and trust funds). The following are the State's capital projects funds.

1978 Transportation Facilities Construction Fund - Chapter 138, SLA 1978 - This fund consists of the proceeds from the sale of \$88,450,000 of bonds and is to be used for the purpose of paying the cost of highway, ferry, airport, local service roads, and trails construction.

1980 Transportation Construction Fund - Chapter 118, SLA 1980 - This fund consists of the proceeds from the sale of \$156,992,700 of bonds and is to be used for the purpose of paying the cost of highway, ferry, airport, port, harbor, local service roads, and trails construction.

STATE OF ALASKA
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 June 30, 2000
 (Stated in Thousands)

STATEMENT 5.01

	1978 Transportation Facilities Construction	1980 Transportation Construction	Totals June 30, 2000
ASSETS:			
Cash and Investments	\$ 99	\$	\$ 99
Federal Grants Receivable	1	2	3
TOTAL ASSETS	<u>\$ 100</u>	<u>\$ 2</u>	<u>\$ 102</u>
FUND BALANCES:			
Unreserved, Designated	<u>\$ 100</u>	<u>\$ 2</u>	<u>\$ 102</u>
	Chapter 138 SLA 1978	Chapter 118 SLA 1980	

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 5.02

	1978 Transportation Facilities Construction	1980 Transportation Construction	Totals Year Ended June 30, 2000
REVENUES:			
	\$	\$	\$ 0
EXPENDITURES:			
			0
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	0	0	0
FUND BALANCES, BEGINNING OF YEAR	100	2	102
FUND BALANCES, END OF YEAR	\$ 100	\$ 2	\$ 102



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Enterprise Funds

Enterprise funds account for business-like State activities that provide goods and/or services to the public and are financed primarily through user charges. The following are the State's enterprise funds.

Commercial Assistance Enterprise Funds

- Alaska World War II Veterans' Revolving Fund - AS 26.15.090 - Administered by Department of Community and Economic Development (DCED). The fund was created for the purpose of making home, education, or personal loans to eligible veterans. However, no loans are currently being made from the fund.
- Small Business Revolving Loan Fund - AS 45.95.060 - Administered by DCED. AS 45.95 authorizes the Commissioner of DCED to make small business loans. Loans may be used to acquire, finance, or refinance or equip businesses, which includes mining, fishing, and farming equipment.
- Commercial Fishing Revolving Loan Fund - AS 16.10.340 - Administered by DCED. The purpose of the fund is to promote the development and continued maintenance of commercial fishing gear and vessels by means of long-term, low interest loans.
- Child Care Facility Revolving Loan Fund - AS 44.33.240 - Administered by DCED. The purpose of this fund is to make loans for the construction, renovation, and equipping of child care facilities in order to enable such facilities to comply with the requirements for certification by the Department of Education and Early Development or for licensing by the Department of Health and Social Services.
- Historical District Revolving Loan Fund - AS 45.98.010 - Administered by DCED. The purpose of this fund is to make loans for the restoration or rehabilitation of structures within the boundaries of a historical district. These structures are identified as important to State or national history and are suitable for superficial modification to conform to the period or motif of the surrounding area.
- Fisheries Enhancement Revolving Loan Fund - AS 16.10.505 - Administered by DCED. The purpose of this fund is to promote the enhancement of the State's fisheries by means of long-term, low interest loans for salmon hatchery planning, construction, and operation.
- Mining Loan Fund - AS 27.09.010 - Administered by DCED. This fund consists of money appropriated by the legislature for loans to underwrite advanced mineral exploration, development, or mining.

Energy Assistance Enterprise Funds

- Alternative Energy Revolving Loan Fund - AS 45.88.010 - Administered by DCED. This fund consists of monies appropriated by the legislature for the purpose of developing energy production from sources other than fossil or nuclear fuel.
- Residential Energy Conservation Fund - AS 45.89.010 - Administered by DCED. This fund consists of money appropriated by the legislature for refunds, grants, and loans to purchase, construct, or install energy conservation improvements.
- Power Project Fund - AS 42.45.010 Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.
- Rural Electrification Revolving Loan Fund - AS 42.45.020 - Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.
- Bulk Fuel Revolving Loan Fund - AS 42.45.250 - Per Chapter 58, SLA 1999, effective July 1, 1999, this fund was transferred to the Alaska Energy Authority for administration as part of a larger reorganization of state agencies.

Other Agencies Enterprise Funds

- Alcoholism and Drug Abuse Revolving Loan Fund - AS 44.29.210 - Administered by Department of Health and Social Services. This fund is required under 42 U.S.C. 300x-4a to qualify the State to receive block grant money from the United States Department of Health and Human Services under 42 U.S.C. 300x – 2. Money in the fund may be used to make loans to private nonprofit organizations for the cost of establishing programs to help pay the living expenses of individuals recovering from alcohol or drug abuse who may reside in groups.
- Rural Development Initiative Fund - AS 44.33.765 - Administered by Department of Community and Economic Development. The purpose of the fund is to provide loans of up to \$100,000 to communities with a population of 5,000 or less. The loans may be used for working capital, equipment, construction, or other commercial purposes.
- International Airports Fund - AS 37.15.410-550 - Administered by the Department of Transportation and Public Facilities. This fund consists of all revenues, fees, charges, and rentals derived by the State from the ownership, lease, use, and operation of the airports.
- Agricultural Revolving Loan Fund - AS 03.10.040 - Administered by the Department of Natural Resources. The Alaska Agricultural Loan Act is a declaration of policy to promote the development of agriculture as an industry throughout the State by means of long-term low interest loans. The Agricultural Revolving Loan Fund was created to fulfill this purpose.
- Alaska Clean Water Fund - AS 46.03.032 - Administered by Department of Environmental Conservation. This fund consists of money appropriated by the legislature to meet federal matching requirements for public water and sewage treatment facilities.
- Alaska Drinking Water Fund - AS 46.03.036 - Administered by Department of Environmental Conservation. The fund consists of federal capitalization grant. The capitalization grant is divided between two purposes: part of each capitalization grant is to be deposited into the DWF for providing loans for drinking water infrastructure projects; the other part is to be used for set-side or nonproject activities. Set aside funds must be maintained in a separate account from the project fund.

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS BY FUND GROUP
June 30, 2000
(Stated in Thousands)

STATEMENT 6.01

	Commercial Assistance	Energy Assistance	Other Agencies	Totals June 30, 2000
ASSETS:				
Cash and Investments	\$ 27,638	\$ 498	\$ 305,014	\$ 333,150
Accounts Receivable - Net	228		9,674	9,902
Federal Grants Receivable			749	749
Interest Receivable	32,410	3	1,709	34,122
Due from Other Funds	11		235	246
Loans Receivable - Net	144,283	432	109,473	254,188
Notes Receivable			272	272
Judgements	469		2	471
Reposessed Property	316		781	1,097
Fixed Assets (Net of Accumulated Depreciation)			384,064	384,064
Investments in Partnership or Corporations			7,019	7,019
TOTAL ASSETS	\$ 205,355	\$ 933	\$ 818,992	\$ 1,025,280
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
Warrants Outstanding	\$ 1,343	\$	\$ 162	\$ 1,505
Accounts Payable	50		1,236	1,286
Due to Other Funds	456	198	20,151	20,805
Interest Payable			3,064	3,064
Deferred Revenues			2,344	2,344
Revenue Bonds Payable			227,776	227,776
Undistributed Receipts	196	1		197
Other Liabilities			2	2
TOTAL LIABILITIES	2,045	199	254,735	256,979
FUND EQUITY:				
Contributed Capital	112,907		296,548	409,455
Retained Earnings:				
Reserved	4,601	300	6,849	11,750
Unreserved	85,802	434	260,860	347,096
TOTAL RETAINED EARNINGS	90,403	734	267,709	358,846
TOTAL FUND EQUITY	203,310	734	564,257	768,301
TOTAL LIABILITIES AND FUND EQUITY	\$ 205,355	\$ 933	\$ 818,992	\$ 1,025,280

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
ALL ENTERPRISE FUNDS BY FUND GROUP
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.02

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2000
OPERATING REVENUES:				
Charges for Services	\$ 236	\$	\$ 56,473	\$ 56,709
Fines and Forfeitures	109	2		111
Interest Income	13,494	58	2,505	16,057
Other	14		2,935	2,949
TOTAL OPERATING REVENUES	13,853	60	61,913	75,826
OPERATING EXPENSES:				
Operating	3,109	149	46,190	49,448
Provision for Loan Losses and Forgiveness	882	(102)	(58)	722
Write-Down and Net (Income) Expense of Real Estate Owned	150	2		152
Depreciation			18,499	18,499
TOTAL OPERATING EXPENSES	4,141	49	64,631	68,821
OPERATING INCOME (LOSS)	9,712	11	(2,718)	7,005
NONOPERATING REVENUES (EXPENSES):				
Revenues			6,903	6,903
Expenses			(1,730)	(1,730)
Gain (Loss) on Disposal of Fixed Assets			(81)	(81)
TOTAL NONOPERATING REVENUES (EXPENSES)	0	0	5,092	5,092
INCOME (LOSS) BEFORE OPERATING TRANSFERS	9,712	11	2,374	12,097
OPERATING TRANSFERS:				
Operating Transfers (Out to) Other Funds	(526)	(196)	(900)	(1,622)
Operating Transfers (Out to) Component Units		(10,645)		(10,645)
Operating Transfers In From Other Funds			109	109
NET INCOME (LOSS)	9,186	(10,830)	1,583	(61)
Depreciation on Fixed Assets Acquired by Grants or Contribution			6,567	6,567
INCREASE (DECREASE) IN RETAINED EARNINGS	9,186	(10,830)	8,150	6,506
RETAINED EARNINGS, BEGINNING OF YEAR	81,217	11,564	250,173	342,954
Prior Period Adjustment			9,386	9,386
RETAINED EARNINGS, END OF YEAR	\$ 90,403	\$ 734	\$ 267,709	\$ 358,846



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STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS BY FUND GROUP
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.03

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 9,712	\$ 11	\$ (2,718)	\$ 7,005
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by				
(Used for) Operating Activities:				
Depreciation and Amortization			18,499	18,499
Provision for Loan Losses and Forgiveness	882	(102)	49	829
Principal Collections on Loans and Notes	15,664	284	(2,166)	13,782
Loans Originated	(9,515)		(45,208)	(54,723)
Write-Down and Net (Gain) Loss				
of Owned Property	150	2		152
Nonoperating Activity			(175)	(175)
(Increase) Decrease in Assets:				
Accounts Receivable - Net	112		514	626
Federal Grants Receivable			1,711	1,711
Interest Receivable	(6,290)	1	(155)	(6,444)
Due from Other Funds	(5)		(119)	(124)
Judgements	8			8
Repossessed Property	(517)		878	361
Increase (Decrease) in Liabilities:				
Warrants Outstanding	1,081		161	1,242
Accounts Payable	(23)		(50)	(73)
Due to Other Funds	(1)		3,709	3,708
Deferred Revenues			(955)	(955)
Undistributed Receipts	35			35
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	11,293	196	(26,025)	(14,536)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:				
Advances and Contributions			41,634	41,634
Residual Equity Fund Transfers (to) Other Funds	(246)	(44)		(290)
Residual Equity Fund Transfers (to) Component Units		(61,886)		(61,886)
Residual Equity Fund Transfers from Other Funds			2,991	2,991
Operating Transfers (Out to) Other Funds	(463)	(262)	(900)	(1,625)
Operating Transfers (Out to) Component Units		(10,128)		(10,128)
Operating Transfers In From Other Funds			109	109
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(709)	(72,320)	43,834	(29,195)

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
ALL ENTERPRISE FUNDS BY FUND GROUP
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.03

	Commercial Assistance	Energy Assistance	Other Agencies	Totals Year Ended June 30, 2000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital Contributions and Advances	\$	\$	\$ 7,934	\$ 7,934
Proceeds from Issuance of Long-Term Debt			25,000	25,000
Payments on Long-Term Debt			(3,403)	(3,403)
Interest and Fees Paid on Borrowings			(12,698)	(12,698)
Acquisition and Construction of Fixed Assets and Deferred Costs			(54,217)	(54,217)
Proceeds from Sale of Fixed Assets			29	29
NET CASH PROVIDED BY (USED FOR)				
CAPITAL AND RELATED FINANCING ACTIVITIES	0	0	(37,355)	(37,355)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from Sales/Maturities of Investments			118,483	118,483
Purchase of Investments			(121,881)	(121,881)
Income Received on Investments			14,852	14,852
Change in Restricted Cash and Investments			8,652	8,652
NET CASH PROVIDED BY (USED FOR)				
INVESTING ACTIVITIES	0	0	20,106	20,106
NET INCREASE (DECREASE) IN CASH	10,584	(72,124)	560	(60,980)
CASH, BEGINNING OF YEAR	17,054	72,622	59,558	149,234
CASH, END OF YEAR	\$ 27,638	\$ 498	\$ 60,118	\$ 88,254
RECONCILIATION OF CASH TO THE BALANCE SHEET:				
Total Cash and Investments per the Balance Sheet	\$ 27,638	\$ 498	\$ 305,014	\$ 333,150
Less: Investments not meeting the definition of cash or cash equivalents			(72,940)	(72,940)
Restricted Cash and Investments			(171,956)	(171,956)
CASH, END OF YEAR	\$ 27,638	\$ 498	\$ 60,118	\$ 88,254
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Residual Equity Fund Transfer (to) Other Funds	\$ (105)	\$	\$	\$ (105)
Residual Equity Fund Transfer (to) Component Units		(21,982)		(21,982)
Operating Transfers (Out to) Other Funds	(351)	(196)		(547)
Operating Transfers (Out to) Component Units		(517)		(517)
Net Income (Loss) on Investment			238	238

STATE OF ALASKA
COMBINING BALANCE SHEET
COMMERCIAL ASSISTANCE ENTERPRISE FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 6.04

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
ASSETS:				
Cash and Investments	\$ 329	\$ 442	\$ 19,963	\$ 138
Accounts Receivable - Net	219		9	
Interest Receivable	4	1	4,284	1
Deferred Interest Receivable			5,655	
Due from Other Funds			11	
Loans Receivable - Net	188	133	76,979	97
Judgements			469	
Repossessed Property			316	
TOTAL ASSETS	\$ 740	\$ 576	\$ 107,686	\$ 236
LIABILITIES AND FUND EQUITY:				
LIABILITIES:				
Warrants Outstanding	\$ 148	\$	\$ 617	\$
Accounts Payable	47		3	
Due to Other Funds		192		39
Undistributed Receipts	32		164	
TOTAL LIABILITIES	227	192	784	39
FUND EQUITY:				
Contributed Capital, Unrestricted			23,196	
Retained Earnings:				
Reserved	101	250	1,800	100
Unreserved	412	134	81,906	97
TOTAL RETAINED EARNINGS	513	384	83,706	197
TOTAL FUND EQUITY	513	384	106,902	197
TOTAL LIABILITIES AND FUND EQUITY	\$ 740	\$ 576	\$ 107,686	\$ 236

STATEMENT 6.04

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals June 30, 2000
\$ 228	\$ 6,191	\$ 347	\$ 27,638
1	2,786	1	228
	19,677		7,078
			25,332
			11
362	66,417	107	144,283
			469
			316
\$ 591	\$ 95,071	\$ 455	\$ 205,355
\$	\$ 578	\$	\$ 1,343
			50
128		97	456
			196
128	578	97	2,045
	83,310	6,401	112,907
100	2,000	250	4,601
363	9,183	(6,293)	85,802
463	11,183	(6,043)	90,403
463	94,493	358	203,310
\$ 591	\$ 95,071	\$ 455	\$ 205,355

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

COMMERCIAL ASSISTANCE ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
OPERATING REVENUES:				
Charges for Services	\$ 39	\$	\$ 171	\$
Fines and Forfeitures	7	1	97	
Interest Income	21	27	8,040	11
Other			14	
TOTAL OPERATING REVENUES	67	28	8,322	11
OPERATING EXPENSES:				
Operating	148	4	2,618	6
Provision for Loan Losses and Forgiveness	(1)		(83)	(22)
Write-down and Net (Income) Expense of Real Estate Owned			150	
TOTAL OPERATING EXPENSES	147	4	2,685	(16)
OPERATING INCOME (LOSS) BEFORE OPERATING TRANSFERS	(80)	24	5,637	27
OPERATING TRANSFERS:				
Operating Transfers (Out to) Other Funds		(192)	(175)	(31)
NET INCOME (LOSS)	(80)	(168)	5,462	(4)
RETAINED EARNINGS, BEGINNING OF YEAR	593	552	78,244	201
RETAINED EARNINGS, END OF YEAR	\$ 513	\$ 384	\$ 83,706	\$ 197

STATEMENT 6.05

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals Year Ended June 30, 2000
\$	\$ 26	\$	\$ 236
	4		109
32	5,751	(388)	13,494
			14
32	5,781	(388)	13,853
3	325	5	3,109
(1)	992	(3)	882
			150
2	1,317	2	4,141
30	4,464	(390)	9,712
(128)			(526)
(98)	4,464	(390)	9,186
561	6,719	(5,653)	81,217
\$ 463	\$ 11,183	\$ (6,043)	\$ 90,403

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
COMMERCIAL ASSISTANCE ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.06

	World War II Veterans' Revolving Loan	Small Business Revolving Loan	Commerical Fishing Revolving Loan	Child Care Facilities Loan
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (80)	\$ 24	\$ 5,637	\$ 27
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Provision for Loan Losses and Forgiveness	(1)		(83)	(22)
Principal Collections on Loans	15	168	9,238	39
Loans Originated			(7,883)	
Write-Down and Net (Gain) Loss of Owned Property			150	
(Increase) Decrease in Assets:				
Accounts Receivable - Net	16		96	
Interest Receivable			(218)	
Deferred Interest Receivable			(761)	
Due from Other Funds			(5)	
Judgements			8	
Reposessed Property			(522)	
Increase (Decrease) in Liabilities:				
Warrants Outstanding	107		396	
Accounts Payable	(26)		3	
Due to Other Funds				
Undistributed Receipts	7		34	(6)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	38	192	6,090	38
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Residual Equity Fund Transfers (to) Other Funds				(117)
Operating Transfers (Out to) Other Funds	(64)	(161)	(175)	
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(64)	(161)	(175)	(117)
NET INCREASE (DECREASE) IN CASH	(26)	31	5,915	(79)
CASH, BEGINNING OF YEAR	355	411	14,048	217
CASH, END OF YEAR	\$ 329	\$ 442	\$ 19,963	\$ 138

RECONCILIATION OF CASH TO THE BALANCE SHEET:

Total Cash and Investments per the Balance Sheet	\$ 329	\$ 442	\$ 19,963	\$ 138
CASH, END OF YEAR	\$ 329	\$ 442	\$ 19,963	\$ 138

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:

Residual Equity Fund Transfers (to) Other Funds	\$	\$	\$	\$ (8)
Operating Transfers (Out to) Other Funds		(192)		(31)

STATEMENT 6.06

Historical Districts Revolving Loan	Fisheries Enhancement Revolving Loan	Mining Revolving Loan	Totals Year Ended June 30, 2000
\$ 30	\$ 4,464	\$ (390)	\$ 9,712
(1)	992	(3)	882
98	6,026	80	15,664
	(1,632)		(9,515)
			150
			112
1	(149)	405	39
	(5,568)		(6,329)
			(5)
			8
		5	(517)
	578		1,081
			(23)
	(1)		(1)
			35
128	4,710	97	11,293
		(129)	(246)
(63)			(463)
(63)	0	(129)	(709)
65	4,710	(32)	10,584
163	1,481	379	17,054
\$ 228	\$ 6,191	\$ 347	\$ 27,638
\$ 228	\$ 6,191	\$ 347	\$ 27,638
\$ 228	\$ 6,191	\$ 347	\$ 27,638
\$ (128)	\$	\$ (97)	\$ (105)
			(351)

STATE OF ALASKA
COMBINING BALANCE SHEET
ENERGY ASSISTANCE ENTERPRISE FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 6.07

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation
ASSETS:		
Cash and Investments	\$ 496	\$ 2
Interest Receivable	3	
Loans Receivable - Net	432	
	<u>931</u>	<u>2</u>
TOTAL ASSETS	<u>\$ 931</u>	<u>\$ 2</u>
LIABILITIES AND FUND EQUITY:		
LIABILITIES:		
Due to Other Funds	196	2
Undistributed Receipts	1	
	<u>197</u>	<u>2</u>
TOTAL LIABILITIES	<u>197</u>	<u>2</u>
FUND EQUITY:		
Retained Earnings:		
Reserved	300	
Unreserved	434	
	<u>734</u>	<u>0</u>
TOTAL RETAINED EARNINGS	<u>734</u>	<u>0</u>
TOTAL FUND EQUITY	<u>734</u>	<u>0</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 931</u>	<u>\$ 2</u>

Power Project	Rural Electrification Revolving Loan	Bulk Fuel Revolving Loan	Totals June 30, 2000
\$	\$	\$	498 3 432
\$ 0	\$ 0	\$ 0	\$ 933
			198
			1
0	0	0	199
			300
			434
0	0	0	734
0	0	0	734
\$ 0	\$ 0	\$ 0	\$ 933

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

ENERGY ASSISTANCE ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation
OPERATING REVENUES:		
Fines and Forfeitures	\$ 2	\$
Interest Income	56	2
TOTAL OPERATING REVENUES	58	2
OPERATING EXPENSES:		
Operating	149	
Provision for Loan Losses and Forgiveness	(102)	
Write-Down and Net (Income) Expense of Real Estate Owned	2	
TOTAL OPERATING EXPENSES	49	0
OPERATING INCOME (LOSS) BEFORE OPERATING TRANSFERS	9	2
OPERATING TRANSFERS:		
Operating Transfers (Out to) Other Funds	(194)	(2)
Operating Transfers (Out to) Component Units		
NET INCOME (LOSS)	(185)	0
RETAINED EARNINGS, BEGINNING OF YEAR	919	0
RETAINED EARNINGS, END OF YEAR	\$ 734	\$ 0

Power Project	Rural Electrification Revolving Loan	Bulk Fuel Revolving Loan	Totals Year Ended June 30, 2000
\$	\$	\$	\$
			2
			58
0	0	0	60
			149
			(102)
			2
0	0	0	49
0	0	0	11
			(196)
(10,105)	(517)	(23)	(10,645)
(10,105)	(517)	(23)	(10,830)
10,105	517	23	11,564
\$ 0	\$ 0	\$ 0	\$ 734

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
ENERGY ASSISTANCE ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.09

	Alternative Technology and Power Resources Revolving Loan	Residential Energy Conservation
CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 9	\$ 2
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Provision for Loan Losses and Forgiveness	(102)	
Principal Collections on Loans	284	
Write-Down and Net (Gain) Loss of Owned Property	2	
(Increase) Decrease in Assets:		
Interest Receivable	1	
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	194	2
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Residual Equity Fund Transfers (Out to) Other Funds	(44)	
Residual Equity Fund Transfers (Out to) Component Units		
Operating Transfers (Out to) Other Funds	(215)	(47)
Operating Transfers (Out to) Component Units		
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	(259)	(47)
NET INCREASE (DECREASE) IN CASH	(65)	(45)
CASH, BEGINNING OF YEAR	561	47
CASH, END OF YEAR	\$ 496	\$ 2
RECONCILIATION OF CASH TO THE BALANCE SHEET:		
Total Cash and Investments per the Balance Sheet	\$ 496	\$ 2
CASH, END OF YEAR	\$ 496	\$ 2
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Residual Equity Fund Transfers (Out to) Component Units	\$	\$
Operating Transfers (Out to) Other Funds	(194)	(2)
Operating Transfers (Out to) Component Units		

<u>Power Project</u>	<u>Rural Electrification Revolving Loan</u>	<u>Bulk Fuel Revolving Loan</u>	<u>Totals Year Ended June 30, 2000</u>
\$ 0	\$ 0	\$ 0	\$ 11
			(102)
			284
			2
			1
0	0	0	196
(59,861)	(351)	(1,674)	(44)
			(61,886)
			(262)
(10,105)		(23)	(10,128)
(69,966)	(351)	(1,697)	(72,320)
(69,966)	(351)	(1,697)	(72,124)
69,966	351	1,697	72,622
\$ 0	\$ 0	\$ 0	\$ 498
\$ 0	\$ 0	\$ 0	\$ 498
\$ 0	\$ 0	\$ 0	\$ 498
\$ (18,929)	\$ (2,540)	\$ (513)	\$ (21,982)
			(196)
	(517)		(517)

STATE OF ALASKA
COMBINING BALANCE SHEET
OTHER AGENCIES ENTERPRISE FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 6.10

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
ASSETS:			
Cash and Investments	\$ 163	\$ 279	\$ 258,718
Accounts Receivable - Net			7,842
Federal Grants Receivable			
Interest Receivable		3	269
Due from Other Funds			
Loans Receivable - Net		427	
Notes Receivable			
Judgements			
Repossessed Property			
Fixed Assets (Net of Accumulated Depreciation)			380,513
Investment in Corporations			
TOTAL ASSETS	\$ 163	\$ 709	\$ 647,342
LIABILITIES AND FUND EQUITY:			
LIABILITIES:			
Warrants Outstanding	\$	\$	\$
Accounts Payable			1,195
Due to Other Funds	2		19,965
Interest Payable			3,064
Deferred Revenues			2,344
Revenue Bonds Payable			227,776
Other Liabilities			
TOTAL LIABILITIES	2	0	254,344
FUND EQUITY:			
Contributed Capital	100	1,150	121,497
Retained Earnings:			
Reserved			6,849
Unreserved	61	(441)	264,652
TOTAL RETAINED EARNINGS	61	(441)	271,501
TOTAL FUND EQUITY	161	709	392,998
TOTAL LIABILITIES AND FUND EQUITY	\$ 163	\$ 709	\$ 647,342

STATEMENT 6.10

Department of Natural Resources	Department of Environmental Conservation		Totals
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2000
\$ 6,862	\$ 34,291	\$ 4,701	\$ 305,014
1,832			9,674
	314	435	749
199	977	261	1,709
	124	111	235
7,676	86,591	14,779	109,473
272			272
2			2
781			781
3,551			384,064
7,019			7,019
<u>\$ 28,194</u>	<u>\$ 122,297</u>	<u>\$ 20,287</u>	<u>\$ 818,992</u>
\$ 162	\$	\$	\$ 162
41			1,236
184			20,151
			3,064
			2,344
			227,776
2			2
<u>389</u>	<u>0</u>	<u>0</u>	<u>254,735</u>
59,855	98,957	14,989	296,548
			6,849
<u>(32,050)</u>	<u>23,340</u>	<u>5,298</u>	<u>260,860</u>
<u>(32,050)</u>	<u>23,340</u>	<u>5,298</u>	<u>267,709</u>
27,805	122,297	20,287	564,257
<u>\$ 28,194</u>	<u>\$ 122,297</u>	<u>\$ 20,287</u>	<u>\$ 818,992</u>

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
OTHER AGENCIES ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.11

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
OPERATING REVENUES:			
Charges for Services	\$	\$ 2	\$ 56,469
Interest Income		28	
Other			247
TOTAL OPERATING REVENUES	0	30	56,716
OPERATING EXPENSES:			
Operating	2	144	42,472
Provision for Loan Losses and Forgiveness			
Depreciation			18,494
TOTAL OPERATING EXPENSES	2	144	60,966
OPERATING INCOME (LOSS)	(2)	(114)	(4,250)
NONOPERATING REVENUES (EXPENSES):			
Interest Income	8		4,427
Interest Expense			(1,555)
Income (Loss) from Rents and Royalties			
Income (Loss) from Investment			
Gain (Loss) on Disposal of Fixed Assets			
TOTAL NONOPERATING REVENUES (EXPENSES)	8	0	2,872
INCOME (LOSS) BEFORE OPERATING TRANSFERS	6	(114)	(1,378)
OPERATING TRANSFERS:			
Operating Transfers (Out to) Other Funds			
Operating Transfers In From Other Funds			
NET INCOME (LOSS)	6	(114)	(1,378)
Depreciation on Fixed Assets Acquired by Grants or Contribution			6,567
INCREASE (DECREASE) IN RETAINED EARNINGS	6	(114)	5,189
RETAINED EARNINGS, BEGINNING OF YEAR	55	(327)	266,312
Prior Period Adjustment			
RETAINED EARNINGS, END OF YEAR	\$ 61	\$ (441)	\$ 271,501

STATEMENT 6.11

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2000
\$ 2	\$	\$	\$
602	1,614	261	56,473
11	314	2,363	2,505
			2,935
615	1,928	2,624	61,913
379	371	2,822	46,190
(58)			(58)
5			18,499
326	371	2,822	64,631
289	1,557	(198)	(2,718)
	1,781	313	6,529
			(1,555)
(175)			(175)
374			374
(81)			(81)
118	1,781	313	5,092
407	3,338	115	2,374
(900)			(900)
		109	109
(493)	3,338	224	1,583
			6,567
(493)	3,338	224	8,150
(31,557)	14,958	732	250,173
	5,044	4,342	9,386
\$ (32,050)	\$ 23,340	\$ 5,298	\$ 267,709

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
OTHER AGENCIES ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.12

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (2)	\$ (114)	\$ (4,250)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Amortization			18,494
Provision for Loan Losses and Forgiveness		44	63
Principal Collections on Loans and Notes		11	
Loans Originated		(200)	
Nonoperating Activity			
(Increase) Decrease in Assets:			
Accounts Receivable - Net			361
Federal Grants Receivable			
Interest Receivable		(2)	
Due from Other Funds			
Reposessed Property			
Increase (Decrease) in Liabilities:			
Warrants Outstanding			(27)
Accounts Payable			3,758
Due to Other Funds		(98)	
Deferred Revenues			(955)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(2)	(359)	17,444
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Advances and Contributions			
Residual Equity Fund Transfers from Other Funds			
Operating Transfers (Out to) Other Funds			
Operating Transfers In From Other Funds			
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	0	0	0

STATEMENT 6.12

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2000
\$ 289	\$ 1,557	\$ (198)	\$ (2,718)
5			18,499
(58)			49
2,104	2,436	(6,717)	(2,166)
(1,659)	(43,560)	211	(45,208)
(175)			(175)
153			514
	1,946	(235)	1,711
	108	(261)	(155)
	(85)	(34)	(119)
878			878
161			161
(23)			(50)
49			3,709
			(955)
1,724	(37,598)	(7,234)	(26,025)
	36,300	5,334	41,634
	1,608	1,383	2,991
(900)			(900)
		109	109
(900)	37,908	6,826	43,834

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
OTHER AGENCIES ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 6.12

	Department of Health and Social Services	Department of Community and Economic Development	Department of Transportation and Public Facilities
	Alcoholism and Drug Abuse	Rural Development	International Airports
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Advances and Contributions	\$	\$	\$ 7,934
Proceeds from Issuance of Long-Term Debt			25,000
Payments on Long-Term Debt			(3,403)
Interest and Fees Paid on Borrowings			(12,698)
Acquisition and Construction of Fixed Assets			(53,403)
Proceeds from Sales of Fixed Assets			
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	0	0	(36,570)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from Sales/Maturities of Investments			118,483
Purchase of Investments			(121,881)
Income Received on Investments	8		12,750
Change in Restricted Cash and Investments			8,652
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	8	0	18,004
NET INCREASE (DECREASE) IN CASH	6	(359)	(1,122)
CASH, BEGINNING OF YEAR	157	638	14,944
CASH, END OF YEAR	\$ 163	\$ 279	\$ 13,822
RECONCILIATION OF CASH TO THE BALANCE SHEET:			
Total Cash and Investments per the Balance Sheet	\$ 163	\$ 279	\$ 258,718
Less: Investments not meeting the definition of cash or cash equivalents			(72,940)
Restricted Cash and Investments			(171,956)
CASH, END OF YEAR	\$ 163	\$ 279	\$ 13,822
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Net Income (Loss) from Investment in Matanuska Maid	\$	\$	\$

STATEMENT 6.12

Department of Natural Resources	Department of Environmental Conservation		Totals Year Ended
Agriculture	Alaska Clean Water	Alaska Drinking Water	June 30, 2000
\$	\$	\$	\$
			7,934
			25,000
			(3,403)
			(12,698)
(814)			(54,217)
29			29
(785)	0	0	(37,355)
			118,483
	1,781	313	(121,881)
			14,852
			8,652
0	1,781	313	20,106
39	2,091	(95)	560
6,823	32,200	4,796	59,558
\$ 6,862	\$ 34,291	\$ 4,701	\$ 60,118
\$ 6,862	\$ 34,291	\$ 4,701	\$ 305,014
			(72,940)
			(171,956)
\$ 6,862	\$ 34,291	\$ 4,701	\$ 60,118
\$ 238	\$	\$	\$ 238



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Internal Service Funds

Internal service funds account for the operations of State agencies which render services to other State agencies, institutions, or other governmental units on a cost-reimbursement basis. The following are the State's internal service funds.

Highways Equipment Working Capital Fund - AS 44.68.210 - Administered by the Department of Transportation and Public Facilities. This fund is used for necessary expenses resulting from the centralization of equipment maintenance and for the operation of supply depots.

Correctional Industries Fund - AS 33.32.020 - Administered by the Department of Corrections. The fund accounts for correctional industries program activity (which includes, among others, a commercial laundry service and a furniture manufacturing enterprise). The correctional industries program provides employment for inmates at several of the State's correctional institutions. All expenses of the correctional industries program, except salaries and benefits of State employees, are financed from the correctional industries program and budgeted in accordance with the Executive Budget. Salary and benefits of State employees of the program are financed by other funding sources.

Information Services Fund - AS 44.21.045 - During the 1990 Legislative Session, the Legislature established the Information Services Fund (ISF) in the Department of Administration and classified it as an internal service fund. The ISF is used to account for the operation and financing of computing and telecommunication services for the State of Alaska. Included in these services is operation of the State's mainframe computer; the statewide consolidated data network; the telephone system in Juneau, Anchorage, and Fairbanks; and the microwave communications infrastructure.

Group Health and Life Benefits Fund - AS 39.30.095 - Administered by the Department of Administration. Effective July 1, 1997, the State began a self-insurance program to provide health care coverage for State employees and for retirees covered by the retirement programs administered by the State. This fund consists of accumulated assets held for the purpose of paying health care claims for employees and retirees and to account for transactions pertaining to the self-insurance program.

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 7.01

	Highway Equipment Working Capital	Correctional Industries
ASSETS:		
Cash and Investments	\$ 4,980	\$ 289
Accounts Receivable - Net		18
Intergovernmental Receivable	21	42
Due from Other Funds	4,375	370
Inventories	2,543	723
Fixed Assets	142,067	2,680
Less: Accumulated Depreciation	(74,391)	(1,657)
Other Assets		
TOTAL ASSETS	\$ 79,595	\$ 2,465
LIABILITIES AND FUND EQUITY:		
LIABILITIES:		
Warrants Outstanding	\$ 209	\$ 82
Accounts Payable	624	247
Due to Other Funds		
Interest Payable	17	
Notes Payable	1,900	
Capital Lease Obligations		
Other Liabilities	1,312	103
TOTAL LIABILITIES	4,062	432
FUND EQUITY:		
Contributed Capital	60,988	2,292
Retained Earnings:		
Reserved	2,233	
Unreserved	12,312	(259)
TOTAL RETAINED EARNINGS	14,545	(259)
TOTAL FUND EQUITY	75,533	2,033
TOTAL LIABILITIES AND FUND EQUITY	\$ 79,595	\$ 2,465
LEGAL REFERENCE: Alaska Statute	44.68.210	33.32.020

STATEMENT 7.01

Information Services	Group Health and Life Benefits		Totals
	Group Health and Life	Retiree Health	June 30, 2000
\$ 11,229	\$ 25,154	\$ 91,935	\$ 133,587
108		74	92
2,954	118	150	7,967
961			4,227
48,460			193,207
(36,472)			(112,520)
614			614
<u>\$ 27,854</u>	<u>\$ 25,272</u>	<u>\$ 92,159</u>	<u>\$ 227,345</u>
\$ 1,173	\$	\$	\$ 1,464
861	21,436	39,333	62,501
		1,787	1,787
			17
			1,900
3,496			3,496
1,053			2,468
<u>6,583</u>	<u>21,436</u>	<u>41,120</u>	<u>73,633</u>
<u>11,816</u>			<u>75,096</u>
538			2,771
8,917	3,836	51,039	75,845
<u>9,455</u>	<u>3,836</u>	<u>51,039</u>	<u>78,616</u>
<u>21,271</u>	<u>3,836</u>	<u>51,039</u>	<u>153,712</u>
<u>\$ 27,854</u>	<u>\$ 25,272</u>	<u>\$ 92,159</u>	<u>\$ 227,345</u>
44.21.045	39.30.095		

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS

ALL INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2000

(Stated in Thousands)

	Highway Equipment Working Capital	Correctional Industries
OPERATING REVENUES:		
Charges for Goods and Services	\$ 29,798	\$ 3,416
Premiums		
TOTAL OPERATING REVENUES	29,798	3,416
OPERATING EXPENSES:		
Costs of Goods and Services		2,451
Operating	19,628	2,243
Provision for Loan Losses and Forgiveness	96	
Depreciation	8,735	45
Benefits		
TOTAL OPERATING EXPENSES	28,459	4,739
OPERATING INCOME (LOSS)	1,339	(1,323)
NONOPERATING REVENUES (EXPENSES):		
Interest Income		
Interest Expense	(125)	
Gain (Loss) on Disposal of Fixed Assets	158	
Other Revenues	48	8
TOTAL NONOPERATING REVENUES (EXPENSES)	81	8
INCOME (LOSS) BEFORE OPERATING TRANSFERS	1,420	(1,315)
OPERATING TRANSFERS:		
Operating Transfers In from Other Funds		1,159
NET INCOME (LOSS)	1,420	(156)
RETAINED EARNINGS, BEGINNING OF YEAR	13,105	29
Prior Period Adjustment	20	(132)
RETAINED EARNINGS, END OF YEAR	\$ 14,545	\$ (259)

STATEMENT 7.02

Information Services	Group Health and Life Benefits		Totals
	Group Health and Life	Retiree Health	Year Ended
			June 30, 2000
\$ 22,824	\$ 89,231	\$ 143,607	\$ 56,038
			232,838
22,824	89,231	143,607	288,876
17,412	5,952	7,938	2,451
			53,173
			96
2,961			11,741
	85,718	137,268	222,986
20,373	91,670	145,206	290,447
2,451	(2,439)	(1,599)	(1,571)
	1,488	4,149	5,637
(311)			(436)
(2)			156
			56
(313)	1,488	4,149	5,413
2,138	(951)	2,550	3,842
			1,159
2,138	(951)	2,550	5,001
7,317	4,787	48,489	73,727
			(112)
\$ 9,455	\$ 3,836	\$ 51,039	\$ 78,616

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 7.03

	Highway Equipment Working Capital	Correctional Industries
CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 1,339	\$ (1,323)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation	8,735	45
Provisions for Loan Losses and Forgiveness	96	
Equipment Exchanged for Services		
Operating Contributions		
Nonoperating Activity	48	8
(Increase) Decrease in Assets:		
Accounts Receivable - Net		62
Intergovernmental Receivable	88	(42)
Due from Other Funds	(280)	(48)
Inventories	51	(48)
Other Assets		
Increase (Decrease) in Liabilities:		
Warrants Outstanding	89	(36)
Accounts Payable	10	72
Due to Other Funds		
Other Liabilities	(399)	(5)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	9,777	(1,315)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating Transfers In from Other Funds		1,159
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	0	1,159
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Payments on Long-Term Debt	(1,015)	
Interest and Fees Paid on Borrowings	(133)	
Acquisition and Construction of Fixed Assets	(11,831)	(19)
Proceeds from Sale of Fixed Assets	1,075	
Payments on Capital Lease Obligations		
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(11,904)	(19)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net Purchases of Investments		
Interest Received on Investments		
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	0	0
NET INCREASE (DECREASE) IN CASH	(2,127)	(175)
CASH, BEGINNING OF YEAR	7,107	464
CASH, END OF YEAR	\$ 4,980	\$ 289
RECONCILIATION OF CASH TO THE BALANCE SHEET:		
Total Cash and Investments per the Balance Sheet	\$ 4,980	\$ 289
Less: Investments not meeting the definition of cash or cash equivalents		
CASH, END OF YEAR	\$ 4,980	\$ 289
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Contributed Fixed Assets	\$ 632	\$
Fixed Assets Transferred to General Fixed Assets Account Group	(35)	

STATEMENT 7.03

Information Services	Group Health and Life Benefits		Totals
	Group Health and Life	Retiree Health	Year Ended
			June 30, 2000
\$ 2,451	\$ (2,439)	\$ (1,599)	\$ (1,571)
2,961			11,741
(40)			96
90			(40)
57			90
			113
	96	4,360	4,518
70			116
(787)	(118)	(5)	(1,238)
(726)			(723)
119			119
924			977
109	3,036	9,791	13,018
	(2,200)	(664)	(2,864)
(175)			(579)
5,053	(1,625)	11,883	23,773
			1,159
0	0	0	1,159
			(1,015)
(311)			(444)
(1,551)			(13,401)
			1,075
(626)			(626)
(2,488)	0	0	(14,411)
		(19,567)	(19,567)
	1,488	4,522	6,010
0	1,488	(15,045)	(13,557)
2,565	(137)	(3,162)	(3,036)
8,664	25,291	7,694	49,220
\$ 11,229	\$ 25,154	\$ 4,532	\$ 46,184
\$ 11,229	\$ 25,154	\$ 91,935	\$ 133,587
		(87,403)	(87,403)
\$ 11,229	\$ 25,154	\$ 4,532	\$ 46,184
\$	\$	\$	\$ 632
			(35)



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Trust and Agency Funds

Trust and agency funds are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as a trustee or agent. The following are the State's trust and agency funds.

Expendable Trust Funds

- Memorial Scholarship Revolving Loan Fund - AS 14.43.255 – Administered by the Department of Education and Early Development. The fund was created to honor Alaskans who, by example of their lives, or by their distinguished contribution and service to the State, their community, or their profession, have exemplified the best that is the challenge of “The Great Land.” Memorial scholarships are established in the fund to pay tribute to these distinguished Alaskans.
- Permanent Fund Dividend Fund - AS 43.23.045 – Administered by the Department of Revenue. This fund consists of 50 percent of the income earned by the Alaska permanent fund during the fiscal year ending on June 30 that is paid out to eligible Alaska residents.
- Unemployment Compensation Fund – AS 23.20.130 - Administered by the Department of Labor and Workforce Development. This federal trust fund is established and maintained in the U.S. Treasury. It is used to account for unemployment contributions from employers and unemployment benefits paid to eligible claimants.
- Constitutional Budget Reserve Fund - Alaska Constitution, article IX, section 17; AS 37.13 - Administered by the Department of Revenue. All money received by the State as a result of the termination of administrative proceedings or litigation in a State or federal court involving mineral lease bonuses, rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments or bonuses, or involving taxes imposed on mineral income, production, or property are deposited in the fund, except for the share of those proceeds that are deposited into the Alaska Permanent Fund.
- Public Advocacy Trust Fund - AS 44.21.410 – Administered by the Department of Administration. The Public Advocacy Trust Fund holds in trust funds for individuals under the guardianship of the Office of Public Advocacy.
- Exxon Valdez Settlement Trust Fund - AS 37.14.400 - Memorandum of Agreement and Consent Decree between the United States (U.S.) and the State of Alaska to maximize the funds available for restoration of natural resources and to resolve the governments' claims against one another relating to the Exxon Valdez Oil Spill, which occurred on the night of March 23-24, 1989, in Prince William Sound, Alaska. The civil settlement funds received are held in a joint trust fund established in the Registry of the U.S. District Court. This joint trust fund is administered by the trustee council which consists of the Secretaries of the U.S. Departments of the Interior and Agriculture and the Administrator of the National Oceanic and Atmospheric Administration (the federal trustees) and the Commissioners of the Departments of Environmental Conservation and Fish & Game and the Attorney General of the State of Alaska (State trustees). The trustee council determines which projects shall be financed by monies from the trust. The Exxon Valdez Settlement Trust Fund established in the State accounting system accounts for those monies transferred to the State for projects approved by the trustee council. These projects are for the purpose of restoring, replacing, enhancing, rehabilitating, or acquiring the equivalent of natural resources injured, lost, or destroyed as a result of the oil spill.
- Alyeska Settlement Trust Fund - Consent Decree between the United States, the State of Alaska, and Alyeska Pipeline Service Company – Administered by the Department of Revenue. The fund was created for the purpose of receiving, holding, and disbursing settlement proceeds from Alyeska under the Consent Decree. The funds are to be used to clean up oil spills and for other projects specified in the Consent Decree.

- Exxon Valdez Oil Spill Restoration Fund - U.S. District Court judgement in the criminal case U.S. v. Exxon Shipping Company and Exxon Corporation resulted in \$50 million restitution being received by the State to be used exclusively for restoration projects related to the Exxon Valdez oil spill. Administered by the Department of Revenue.
- Deferred Compensation - AS 39.45.010 – Administered by the Department of Administration. This fund consists of compensation deferred by employees under the State's deferred compensation plan allowed under Section 457 of the Internal Revenue Code.

Nonexpendable Trust Funds

- Alaska Children's Trust Fund - AS 37.14.200 – Administered by the Department of Health and Social Services, and the Alaska Children's Trust Board established in the Office of the Governor. The income from this endowment is used to provide a continuing source of revenue for grants to community-based programs for the prevention of child abuse and neglect.
- Public School Trust Fund - AS 37.14.110 – Administered by the Departments of Revenue and Natural Resources. The principal consists of the July 1, 1978 balance from the public school permanent fund and one-half of one percent of the receipts derived from the management of State lands. The income from the trust is used exclusively for the support of the State public school program.
- Alaska Permanent Fund - Alaska Constitution, article IX, section 15 - Administered by the Alaska Permanent Fund Corporation. The Alaska Constitution provides that at least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments, and bonuses received by the State shall be placed in the Permanent Fund. Subsequent legislation increased the Permanent Fund's share to fifty percent for rents and royalties on mineral leases issued after December 1, 1979, and for bonuses on mineral leases issued after February 15, 1980.

Pension Trust Funds

- Public Employees' Retirement System - AS 39.35.020 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Public Employees' Retirement System.
- Teachers' Retirement System - AS 14.25.010 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Teachers' Retirement System.
- Judicial Retirement System - AS 22.25.048 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Judicial Retirement System.
- Alaska National Guard and Alaska Naval Militia Retirement System - AS 26.05.222 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Alaska National Guard and Alaska Naval Militia Retirement System.
- Supplemental Benefits System - AS 39.30.150 – Administered by the Department of Administration. This fund consists of accumulated assets held for the purpose of paying benefits provided by the Supplemental Benefits System.

Agency Funds

- Impact Aid PL 103-382 – Administered by the Department of Education and Early Development. These monies are received from the federal government and are distributed to the local school districts. The funds are to provide financial assistance to local school districts where enrollment or availability of revenue is adversely affected by federal activities.
- Wage and Hour - Administered by the Department of Labor and Workforce Development. This fund was established to account for receipts and disbursements for wage and hour violations.
- Deposits, Suspense, and Miscellaneous - Administered by the Department of Administration. This fund is used to account for refundable deposits and other receipts held in trust until the State has the right to transfer them to operating funds, or until there is a proper authorization to disburse them directly to others.

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL TRUST AND AGENCY FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.01

	Expendable Trust	Nonexpendable Trust	Pension Trust	Agency	Totals June 30, 2000
ASSETS:					
Cash and Investments	\$ 3,496,864	\$ 28,369,596	\$ 15,056,386	\$ 67,591	\$ 46,990,437
Accounts Receivable - Net	10,321	264,105	51,502		325,928
Interest and Dividends Receivable	58	191,184			191,242
Due from Other Funds	5,008,681	49,533	2,803		5,061,017
Loans Receivable - Net	2,310				2,310
Notes Receivable - Net	7,026	108			7,134
TOTAL ASSETS	\$ 8,525,260	\$ 28,874,526	\$ 15,110,691	\$ 67,591	\$ 52,578,068

LIABILITIES AND FUND BALANCES:

LIABILITIES:

Warrants Outstanding	\$ 4,107	\$ 18	\$	\$ 1,113	\$ 5,238
Accounts Payable	7,101	426,769	15,684	6,672	456,226
Due to Other Funds	97,619	1,182,581	240	2,078	1,282,518
Due to Component Units		450,933			450,933
Deferred Revenues	7,114	171			7,285
Amounts Held in Custody for Others	38			57,728	57,766
Other Liabilities			27		27
TOTAL LIABILITIES	115,979	2,060,472	15,951	67,591	2,259,993

FUND BALANCES:

Reserved for Nonexpendable					
Trust Corpus		20,299,161			20,299,161
Reserved for Employees'					
Pension Benefits			11,749,258		11,749,258
Reserved for Employees'					
Postemployment Healthcare Benefits			3,345,482		3,345,482
Reserved for Other Specific					
Trust Purposes	8,409,281	6,514,893			14,924,174
TOTAL FUND BALANCES	8,409,281	26,814,054	15,094,740	0	50,318,075
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,525,260	\$ 28,874,526	\$ 15,110,691	\$ 67,591	\$ 52,578,068

STATE OF ALASKA
COMBINING BALANCE SHEET
EXPENDABLE TRUST FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.02

	Memorial Scholarship	Alaska Permanent Fund Dividend	Unemployment Compensation	Constitutional Budget Reserve
ASSETS:				
Cash and Investments	\$ 1,469	\$ 16,284	\$ 660	\$ 2,835,958
Cash in U.S. Treasury			195,908	
Accounts Receivable - Net		106	9,146	
Contributions Receivable				
Interest and Dividends Receivable	58			
Due from Alaska Permanent Fund		1,172,451		
Due from General Fund				3,835,963
Due from Training and Building Fund			267	
Loans Receivable - Net	2,310			
Notes Receivable - Net				7,026
TOTAL ASSETS	\$ 3,837	\$ 1,188,841	\$ 205,981	\$ 6,678,947
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Warrants and Checks Outstanding	\$ 2	\$ 1,877	\$ 2,085	\$ 5
Accounts Payable		632	5,842	4
Due to General Fund	34		140	96,676
Due to Employment Assistance and Training Fund		460	29	
Deferred Revenues and Credits	81	7		7,026
Trust Deposits Payable		3	35	
TOTAL LIABILITIES	117	2,979	8,131	103,711
FUND BALANCES:				
Reserved for Memorial Scholarship Loans	3,720			
Reserved for Alaska Permanent Fund Dividends		1,185,862		
Reserved for Unemployment Compensation Benefits			197,850	
Reserved for Constitutional Budget Reserve				6,575,236
Reserved for Public Advocacy Trust				
Reserved for Exxon Valdez Settlement Trust				
Reserved for Alyeska Settlement Trust				
Reserved for Oil Restoration				
Reserved for Deferred Compensation Plan Benefits				
TOTAL FUND BALANCES	3,720	1,185,862	197,850	6,575,236
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,837	\$ 1,188,841	\$ 205,981	\$ 6,678,947

Public Advocacy Trust	Exxon Valdez Settlement Trust	Alyeska Settlement Trust	Oil Restoration	Deferred Compensation	Totals June 30, 2000
\$ 4,303	\$ 11,346	\$ 6,863	\$ 5,764	\$ 418,309	\$ 3,300,956
					195,908
					9,252
				1,069	1,069
					58
					1,172,451
					3,835,963
					267
					2,310
					7,026
\$ 4,303	\$ 11,346	\$ 6,863	\$ 5,764	\$ 419,378	\$ 8,525,260
\$	\$ 125	\$	\$ 13	\$	\$ 4,107
	375		248		7,101
	212	1	67		97,130
					489
					7,114
					38
0	712	1	328	0	115,979
					3,720
					1,185,862
					197,850
					6,575,236
4,303					4,303
	10,634				10,634
		6,862			6,862
			5,436		5,436
				419,378	419,378
4,303	10,634	6,862	5,436	419,378	8,409,281
\$ 4,303	\$ 11,346	\$ 6,863	\$ 5,764	\$ 419,378	\$ 8,525,260

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
EXPENDABLE TRUST FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.03

	Memorial Scholarship	Alaska Permanent Fund Dividend	Unemployment Compensation	Constitutional Budget Reserve
REVENUES:				
Taxes	\$	\$	\$	\$ 231,260
Charges for Services		256		
Fines and Forfeitures				64
Rents and Royalties				7,071
Contributions	322		126,452	
Interest and Investment Income	68		13,165	361,336
Net Increase (Decrease) in the Fair Value of Investments				(37,128)
Federal		420	889	
Other		452		
TOTAL REVENUES	390	1,128	140,506	562,603
EXPENDITURES:				
Current Operating				
General Government		4,697		5,607
Education	5			
Health and Social Services		1,027,922	133,965	3,228
Law, Justice, and Public Protection		5,742		
Natural Resources				
Capital Outlay		730		
TOTAL EXPENDITURES	5	1,039,091	133,965	8,835
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	385	(1,037,963)	6,541	553,768
OTHER FINANCING SOURCES (USES):				
Operating Transfers In from Other Funds		1,172,451		108,835
TOTAL OTHER FINANCING SOURCES (USES)	0	1,172,451	0	108,835
EXCESS (DEFICIENCY) OF REVENUES AND OTHER OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	385	134,488	6,541	662,603
FUND BALANCES, BEGINNING OF YEAR	3,335	1,051,374	191,051	6,012,633
Residual Equity Transfers from Other Funds			258	
Residual Equity Transfers (Out to) Component Units				(100,000)
FUND BALANCES, END OF YEAR	\$ 3,720	\$ 1,185,862	\$ 197,850	\$ 6,575,236

Public Advocacy Trust	Exxon Valdez Settlement Trust	Alyeska Settlement Trust	Oil Restoration	Deferred Compensation	Totals Year Ended
					June 30, 2000
\$	\$	\$	\$	\$	\$ 231,260
					256
					64
					7,071
	32,856			24,008	183,638
172	753	353	395	6,607	382,849
				48,237	11,109
					1,309
7,807	17		2		8,278
7,979	33,626	353	397	78,852	825,834
				735	11,039
					5
6,789				21,156	1,193,060
297					6,039
	6,179				6,179
	28,569	28	4,000		33,327
7,086	34,748	28	4,000	21,891	1,249,649
893	(1,122)	325	(3,603)	56,961	(423,815)
					1,281,286
0	0	0	0	0	1,281,286
893	(1,122)	325	(3,603)	56,961	857,471
3,410	11,756	6,537	9,039	362,417	7,651,552
					258
					(100,000)
\$ 4,303	\$ 10,634	\$ 6,862	\$ 5,436	\$ 419,378	\$ 8,409,281

STATE OF ALASKA
COMBINING BALANCE SHEET
NONEXPENDABLE TRUST FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.04

	Alaska Children's Trust	Public School	Alaska Permanent	Totals June 30, 2000
ASSETS:				
Cash and Investments	\$ 9,749	\$ 295,103	\$ 28,064,744	\$ 28,369,596
Accounts Receivable - Net		525	263,580	264,105
Interest and Dividends Receivable	7	185	190,992	191,184
Due from General Fund	46		49,487	49,533
Notes Receivable - Net		108		108
TOTAL ASSETS	\$ 9,802	\$ 295,921	\$ 28,568,803	\$ 28,874,526
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Warrants Outstanding	\$ 18	\$	\$	\$ 18
Accounts Payable	32	9	426,728	426,769
Due to Alaska Permanent Fund Dividend Fund			1,172,451	1,172,451
Due to General Fund		7,350	2,780	10,130
Due to Mental Health Trust Fund			327,301	327,301
Due to Alaska Science and Technology Endowment Fund			117,715	117,715
Due to International Trade and Business Endowment Fund			5,917	5,917
Deferred Revenues		171		171
TOTAL LIABILITIES	50	7,530	2,052,892	2,060,472
FUND BALANCES:				
Reserved for Nonexpendable Trust Corpus	9,474	275,039	20,014,648	20,299,161
Reserved for Other Specific Trust Purposes	278	13,352	6,501,263	6,514,893
TOTAL FUND BALANCES	9,752	288,391	26,515,911	26,814,054
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,802	\$ 295,921	\$ 28,568,803	\$ 28,874,526

STATE OF ALASKA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
NONEXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 8.05

	Alaska Children's Trust	Public School	Alaska Permanent	Totals Year Ended June 30, 2000
OPERATING REVENUES:				
Interest and Investment Income	\$ 399	\$ 12,266	\$ 1,049,544	\$ 1,062,209
Net Increase (Decrease) in the Fair Value of Investments			1,240,689	1,240,689
TOTAL OPERATING REVENUES	399	12,266	2,290,233	2,302,898
OPERATING EXPENSES:				
Operating	274	7,681	41,457	49,412
TOTAL OPERATING EXPENSES	274	7,681	41,457	49,412
OPERATING INCOME (LOSS)	125	4,585	2,248,776	2,253,486
NONOPERATING REVENUES (EXPENSES):				
Net Increase (Decrease) in the Fair Value of Investments	193	5,454		5,647
Net Increase in Fair Value of Investments Held for Component Units			21,072	21,072
Earnings of Investments held for Component Units			16,727	16,727
Other Revenue	163	5,291		5,454
TOTAL NONOPERATING REVENUES (EXPENSES)	356	10,745	37,799	48,900
INCOME (LOSS) BEFORE OPERATING TRANSFERS	481	15,330	2,286,575	2,302,386
OPERATING TRANSFERS:				
Operating Transfers (Out to) Other Funds			(1,175,465)	(1,175,465)
Operating Transfers (Out to) Component Units			(37,799)	(37,799)
NET INCOME (LOSS)	481	15,330	1,073,311	1,089,122
FUND BALANCES, BEGINNING OF YEAR	9,225	273,000	25,132,112	25,414,337
Residual Equity Fund Transfers from Other Funds	46	61	310,488	310,595
FUND BALANCES, END OF YEAR	\$ 9,752	\$ 288,391	\$ 26,515,911	\$ 26,814,054

STATE OF ALASKA
COMBINING STATEMENT OF CASH FLOWS
NONEXPENDABLE TRUST FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 8.06

	Alaska Children's Trust	Public School	Alaska Permanent	Totals Year Ended June 30, 2000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 125	\$ 4,585	\$ 2,248,776	\$ 2,253,486
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Investment Activity	(399)	(12,266)	(2,290,233)	(2,302,898)
Nonoperating Activity	163	5,291	(688)	4,766
(Increase) Decrease in Assets:				
Accounts Receivable - Net		304		304
Due from General Fund	(24)			(24)
Notes Receivable - Net		(71)		(71)
Increase (Decrease) in Liabilities:				
Warrants Outstanding	17	(1)		16
Accounts Payable	(34)	(1)	2,368	2,333
Due to General Fund		7,574		7,574
Deferred Revenues		(96)		(96)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(152)	5,319	(39,777)	(34,610)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Residual Equity Fund Transfers from Other Funds	46	61	282,385	282,492
Operating Transfers (Out to) Other Funds			(1,048,225)	(1,048,225)
Operating Transfers (Out to) Component Units			(69,558)	(69,558)
Operating Transfers In from Component Units			45,939	45,939
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	46	61	(789,459)	(789,352)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investments			(1,099,068)	(1,099,068)
Undistributed Real Estate Income			(25,679)	(25,679)
Income Received on Investments	599	17,497	2,347,116	2,365,212
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	599	17,497	1,222,369	1,240,465
NET INCREASE (DECREASE) IN CASH	493	22,877	393,133	416,503
CASH, BEGINNING OF YEAR	9,256	272,226	367,753	649,235
CASH, END OF YEAR	\$ 9,749	\$ 295,103	\$ 760,886	\$ 1,065,738
RECONCILIATION OF CASH TO THE BALANCE SHEET:				
Total Cash and Investments per Balance Sheet	\$ 9,749	\$ 295,103	\$ 28,064,744	\$ 28,369,596
Less: Investments not meeting the definition of cash or cash equivalents			(27,303,858)	(27,303,858)
CASH, END OF YEAR	\$ 9,749	\$ 295,103	\$ 760,886	\$ 1,065,738



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STATE OF ALASKA
COMBINING STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.07

	Public Employees' Retirement System		
	Pension	Postemployment Healthcare	Total
ASSETS:			
Cash and Investments	\$ 6,259,701	\$ 2,478,837	\$ 8,738,538
Contributions Receivable	15,546	6,318	21,864
Other Receivables	1		1
Due from General Fund	1,993	810	2,803
Investment Loss Trust Fund Assets			
TOTAL ASSETS	6,277,241	2,485,965	8,763,206
LIABILITIES:			
Accounts Payable	4,696	1,908	6,604
Payable to Plan Participants			
Due to General Fund			
Other Liabilities	16	6	22
TOTAL LIABILITIES	4,712	1,914	6,626
FUND BALANCES:			
Reserved for Employees' Pension Benefits and Postemployment Healthcare Benefits	\$ 6,272,529	\$ 2,484,051	\$ 8,756,580

Teachers' Retirement System			Judicial Retirement System		
Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare	Total
\$ 3,608,545 20,543	\$ 854,507 4,603	\$ 4,463,052 25,146	\$ 69,729 61	\$ 2,924 4	\$ 72,653 65
3,629,088	859,110	4,488,198	69,790	2,928	72,718
2,508	562	3,070	50	3	53
180 4	41 1	221 5	5		5
2,692	604	3,296	55	3	58
\$ 3,626,396	\$ 858,506	\$ 4,484,902	\$ 69,735	\$ 2,925	\$ 72,660

This statement continued on next page.

STATE OF ALASKA
COMBINING STATEMENT OF PLAN NET ASSETS (CONTINUED)
PENSION TRUST FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.07

	National Guard and Naval Militia	Supplemental Benefits System
	Pension	Pension
ASSETS:		
Cash and Investments	\$ 13,862	\$ 1,763,744
Contributions Receivable		4,426
Other Receivables		
Due from General Fund		
Investment Loss Trust Fund Assets		4,537
TOTAL ASSETS	13,862	1,772,707
LIABILITIES:		
Accounts Payable	114	1,306
Payable to Plan Participants		4,537
Due to General Fund	14	
Other Liabilities		
TOTAL LIABILITIES	128	5,843
FUND BALANCES:		
Reserved for Employees' Pension Benefits and Postemployment Healthcare Benefits	\$ 13,734	\$ 1,766,864

STATEMENT 8.07

Totals		
June 30, 2000		
Pension	Postemployment Healthcare	Total
\$ 11,715,581	\$ 3,336,268	\$ 15,051,849
40,576	10,925	51,501
1		1
1,993	810	2,803
4,537		4,537
11,762,688	3,348,003	15,110,691
8,674	2,473	11,147
4,537		4,537
199	41	240
20	7	27
13,430	2,521	15,951
\$ 11,749,258	\$ 3,345,482	\$ 15,094,740

STATE OF ALASKA
COMBINING BALANCE SHEET
ALL AGENCY FUNDS
June 30, 2000
(Stated in Thousands)

STATEMENT 8.08

	Impact Aid PL 103-382	Wage and Hour	Deposits, Suspense, and Miscellaneous	Totals June 30, 2000
ASSETS:				
Cash and Investments	\$ 7,867	\$ 194	\$ 59,530	\$ 67,591
TOTAL ASSETS	\$ 7,867	\$ 194	\$ 59,530	\$ 67,591
LIABILITIES:				
Warrants Outstanding	\$	\$ 20	\$ 1,093	\$ 1,113
Accounts Payable	4,352	12	2,308	6,672
Due to General Fund		1	2,077	2,078
Amounts Held in Custody for Others	3,515	161	54,052	57,728
TOTAL LIABILITIES	\$ 7,867	\$ 194	\$ 59,530	\$ 67,591

STATE OF ALASKA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 8.09

	Balance July 1, 1999	Additions	Deductions	Balance June 30, 2000
IMPACT AID PL103-382				
ASSETS:				
Cash and Investments	\$ 14,208	\$ 23,692	\$ 30,033	\$ 7,867
LIABILITIES:				
Warrants Outstanding	\$ 1,146	\$ 28,886	\$ 30,032	\$ 0
Accounts Payable	9,139	4,352	9,139	4,352
Amounts Held in Custody for Others	3,923	24,658	25,066	3,515
TOTAL LIABILITIES	\$ 14,208	\$ 57,896	\$ 64,237	\$ 7,867

WAGE AND HOUR

ASSETS:				
Cash and Investments	\$ 112	\$ 345	\$ 263	\$ 194
LIABILITIES:				
Warrants Outstanding	\$ 19	\$ 272	\$ 271	\$ 20
Accounts Payable	1	12	1	12
Due to General Fund	44	1	44	1
Amounts Held in Custody for Others	48	349	236	161
TOTAL LIABILITIES	\$ 112	\$ 634	\$ 552	\$ 194

DEPOSITS, SUSPENSE, AND MISCELLANEOUS

ASSETS:				
Cash and Investments	\$ 53,677	\$ 97,477	\$ 91,624	\$ 59,530
Due from General Fund	1,861		1,861	0
TOTAL ASSETS	\$ 55,538	\$ 97,477	\$ 93,485	\$ 59,530
LIABILITIES:				
Warrants Outstanding	\$ 1,037	\$ 60,458	\$ 60,402	\$ 1,093
Accounts Payable	2,134	2,313	2,139	2,308
Due to General Fund	4	2,077	4	2,077
Amounts Held in Custody for Others	52,363	96,031	94,342	54,052
TOTAL LIABILITIES	\$ 55,538	\$ 160,879	\$ 156,887	\$ 59,530

TOTALS - ALL AGENCY FUNDS

ASSETS:				
Cash and Investments	\$ 67,997	\$ 121,514	\$ 121,920	\$ 67,591
Due from General Fund	1,861		1,861	0
TOTAL ASSETS	\$ 69,858	\$ 121,514	\$ 123,781	\$ 67,591
LIABILITIES:				
Warrants Outstanding	\$ 2,202	\$ 89,616	\$ 90,705	\$ 1,113
Accounts Payable	11,274	6,677	11,279	6,672
Due to General Fund	48	2,078	48	2,078
Amounts Held in Custody for Others	56,334	121,038	119,644	57,728
TOTAL LIABILITIES	\$ 69,858	\$ 219,409	\$ 221,676	\$ 67,591



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General Fixed Assets Account Group

The general fixed assets account group accounts for the land, buildings and improvements, and machinery and equipment of the governmental funds.

STATE OF ALASKA
STATEMENT OF GENERAL FIXED ASSETS BY SOURCE
June 30, 2000
(Stated in Thousands)

STATEMENT 9.01

	June 30, 2000
GENERAL FIXED ASSETS:	
Land	\$ 257,000
Buildings	1,931,979
Equipment	542,583
Construction in Progress	177,226
TOTAL GENERAL FIXED ASSETS	\$ 2,908,788
INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE:	
General Obligation Bonds	\$ 1,173,137
Alaska State Housing Authority Bonds	106,150
Federal Grants	89,476
General Fund Revenues	1,264,584
Federal Land Grants (See Note 1.H.)	88,863
Exxon Valdez Oil Spill Funds	182,578
Other	4,000
TOTAL INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE	\$ 2,908,788

General Long-Term Debt Account Group

The general long-term debt account group accounts for the long-term obligations of the governmental funds.

STATE OF ALASKA
STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT
For the Fiscal Year Ended June 30, 2000
(Stated in Thousands)

STATEMENT 10.01

	Balance July 1, 1999	Issuances and Other Increases	Retirements and Other Decreases	Balance June 30, 2000
AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF GENERAL LONG-TERM DEBT:				
Amount Available in Debt Service Fund	\$ 668	\$	\$ 668	\$ 0
Amount to be Provided for Retirement of General Long-Term Debt	360,494	102,219	175,429	287,284
TOTAL AMOUNT AVAILABLE AND TO BE PROVIDED	\$ 361,162	\$ 102,219	\$ 176,097	\$ 287,284
GENERAL LONG-TERM DEBT:				
Serial Bonds Payable	\$ 2,376	\$	\$ 2,376	\$ 0
Capital Leases Payable	159,065	8,279	78,561	88,783
Expendable Trust Fund Liabilities	23,806		4,000	19,806
Accrued Vacation Leave	89,801	63,433	66,807	86,427
Claims and Judgements	86,114	30,507	24,353	92,268
TOTAL GENERAL LONG-TERM DEBT	\$ 361,162	\$ 102,219	\$ 176,097	\$ 287,284

STATE OF ALASKA
STATEMENT OF BONDED INDEBTEDNESS
GENERAL OBLIGATION BONDS
June 30, 2000
(Stated in Thousands)

STATEMENT 10.02

June 30, 2000

AMOUNT AVAILABLE AND TO BE PROVIDED:

Amount Available in Debt Service Fund	\$	0
Amount to be Provided		<u>0</u>
TOTAL AMOUNT AVAILABLE AND TO BE PROVIDED	\$	<u><u>0</u></u>

BOND PRINCIPAL LIABILITY:

Serial Bonds Payable	\$	<u><u>0</u></u>
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STATE OF ALASKA
SCHEDULE OF DEBT SERVICE BY FISCAL YEAR
GENERAL OBLIGATION BONDS
June 30, 2000
(Stated in Thousands)

STATEMENT 10.03

Year	Principal	Interest	Total Debt Service to Maturity	Redemption Reserve	Required By Fiscal Year
1959	\$ 0	\$ 66	\$ 66	\$	\$ 66
1960	30	99	129		129
1961	93	91	184		184
1962	311	738	1,049		1,049
1963	566	857	1,423		1,423
1964	587	1,299	1,886		1,886
1965	877	1,353	2,230		2,230
1966	1,202	1,307	2,509		2,509
1967	1,248	1,478	2,726		2,726
1968	1,778	2,877	4,655		4,655
1969	3,761	4,058	7,819	9	7,810
1970	3,770	5,536	9,306		9,306
1971	7,971	7,331	15,302		15,302
1972	9,705	9,793	19,498		19,498
1973	11,365	12,147	23,512		23,512
1974	12,352	14,030	26,382		26,382
1975	13,018	17,126	30,144		30,144
1976	12,500	22,615	35,115	11	35,104
1977	12,915	28,969	41,884	25	41,859
1978	18,795	31,233	50,028	93	49,935
1979	25,710	34,314	60,024	228	59,796
1980	38,780	36,292	75,072	1,276	73,796
1981	55,545	42,087	97,632		97,632
1982	58,765	38,694	97,459		97,459
1983	81,230	62,394	143,624	1,136	142,488
1984	100,175	66,162	166,337	390	165,947
1985	107,860	61,664	169,524		169,524
1986	109,265	53,979	163,244		163,244
1987	108,380	46,512	154,892	9	154,883
1988	108,685	39,221	147,906	67	147,839
1989	103,727	31,785	135,512		135,512
1990	95,560	24,746	120,306		120,306
1991	77,499	17,984	95,483		95,483
1992	56,149	12,052	68,201		68,201
1993	51,363	8,325	59,688		59,688
1994	28,398	5,421	33,819		33,819
1995	20,221	2,696	22,917		22,917
1996	18,870	2,435	21,305		21,305
1997	14,895	1,601	16,496		16,496
1998	13,315	904	14,219		14,219
1999	8,515	324	8,839		8,839
2000	2,376	57	2,433		2,433
TOTAL	1,398,127	752,652	2,150,779	3,244	2,147,535
PAID AS OF END OF YEAR	1,398,127	752,652	2,150,779	3,244	2,147,535
REMAINING LIABILITY AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Statistical Section



STATE OF ALASKA
GOVERNMENTAL EXPENDITURES BY FUNCTION
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)

TABLE 1

Fiscal Year	General Government	Education	Health and Social Services	Law, Justice, and Public Protection	Natural Resources
1991	\$ 137,608	\$ 771,450	\$ 594,996	\$ 335,568	\$ 233,096
1992	199,034	813,584	637,313	350,259	184,794
1993	197,504	868,915	707,275	359,012	166,150
1994	207,096	827,888	780,790	387,798	156,971
1995	214,945	843,547	896,398	447,738	155,698
1996	216,672	832,363	980,166	433,336	157,787
1997	209,207	821,375	1,012,349	431,166	152,231
1998	200,392	827,794	1,031,507	425,328	150,547
1999	197,154	866,346	1,069,948	449,256	151,480
2000	189,026	876,890	1,170,063	462,056	144,762

NOTE: Expenditures include all governmental funds.

TABLE 1

Development	Transportation	Capital Outlay	Debt Service	Intergovernmental	Totals
\$ 47,935	\$ 174,207	\$ 298,462	\$ 104,867	\$ 168,034	\$ 2,866,223
39,529	165,958	401,779	76,954	190,248	3,059,452
30,155	158,753	447,752	68,157	178,308	3,181,981
33,189	155,728	603,028	33,819	178,889	3,365,196
48,674	154,609	470,847	22,917	134,314	3,389,687
52,229	153,373	477,696	21,305	114,994	3,439,921
39,566	163,569	430,677	16,496	108,634	3,385,270
35,641	152,607	416,681	14,220	91,700	3,346,417
38,336	155,715	479,070	8,839	95,448	3,511,592
18,634	156,117	549,345	2,433	73,783	3,643,109

STATE OF ALASKA
 AVAILABLE FUND BALANCE
 GENERAL FUND
 Fiscal Years 1959 - 2000
 June 30, 2000
 (Stated in Thousands)

TABLE 2

Fiscal Year	Available Fund Balance
1959	\$ 4,211
1960	10,804
1961	9,761
1962	24,372
1963	36,987
1964	20,244
1965	28,408
1966	29,292
1967	23,762
1968	22,585
1969	7,410
1970	789,994
1971	836,535
1972	761,270
1973	644,461
1974	516,940
1975	379,306
1976	504,851
1977	668,165
1978	651,093
1979	684,281
1980	1,549,357
1981	821,117
1982	(1,777,400)
1983	(520,095)
1984	(133,471)
1985	(213,941)
1986	(196,033)
1987	13,694
1988	224,012
1989	162,715
1990	300,133
1991	696,257
1992	0
1993	(56,711)
1994	(1,418,774)
1995	(1,561,428)
1996	(1,875,814)
1997	(1,792,463)
1998	(2,293,066)
1999	(3,359,397)
2000	(3,720,424)

**STATE OF ALASKA
REVENUES BY SOURCE
GENERAL FUND
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)**

TABLE 3

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Federal</u>	<u>Charges for Services</u>	<u>Rents and Royalties</u>	<u>Other</u>	<u>Totals</u>
1991	\$ 1,764,155	\$ 29,089	\$ 588,066	\$ 86,755	\$ 1,421,822	\$ 104,312	\$ 3,994,199
1992	1,458,741	32,436	657,082	137,805	1,053,320	158,382	3,497,766
1993	1,376,052	49,843	776,877	72,332	1,094,793	145,435	3,515,332
1994	954,119	59,632	774,467	72,258	741,402	90,292	2,692,170
1995	1,205,072	60,546	814,251	76,672	966,129	150,824	3,273,494
1996	1,228,102	61,172	926,980	75,121	909,514	112,674	3,313,563
1997	1,438,838	69,020	942,567	78,116	1,077,892	120,766	3,727,199
1998	1,032,737	71,419	957,272	82,938	738,791	134,967	3,018,124
1999	761,586	63,914	1,029,328	91,401	512,115	97,284	2,555,628
2000	1,132,510	69,233	1,216,447	122,670	1,043,416	141,032	3,725,308

**STATE OF ALASKA
TAX REVENUES BY SOURCE
GENERAL FUND
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)**

TABLE 4

<u>Fiscal Year</u>	<u>Income Tax</u>	<u>Fuel Tax</u>	<u>Severance Tax</u>	<u>Cigarette Tax</u>	<u>Property Tax</u>	<u>Other Taxes</u>	<u>Totals</u>
1991	\$ 256,030	\$ 39,917	\$ 1,325,898	\$ 13,993	\$ 85,007	\$ 43,310	\$ 1,764,155
1992	199,396	43,247	1,090,704	14,251	69,048	42,095	1,458,741
1993	192,563	40,743	1,019,082	14,043	66,918	42,703	1,376,052
1994	62,066	40,507	731,787	14,133	61,466	44,160	954,119
1995	195,482	39,601	852,833	14,396	57,250	45,510	1,205,072
1996	227,062	37,740	846,873	14,158	55,993	46,276	1,228,102
1997	317,846	35,318	972,124	13,652	53,567	46,331	1,438,838
1998	253,480	35,645	621,495	15,400	51,254	55,463	1,032,737
1999	198,856	37,725	412,757	15,233	48,840	48,175	761,586
2000	218,958	42,137	760,711	16,312	45,038	49,354	1,132,510

STATE OF ALASKA
STATE AID AND SHARED REVENUE TO DISTRICT SCHOOLS
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)

TABLE 5

Fiscal Year	Education Foundation Program	Cigarette Tax	Transportation Aid	Debt Retirement	Non-Resident Pupil Tuition
1991	\$ 526,467	\$ 2,600	\$ 24,737	\$ 116,689	\$ 2,407
1992	561,096	2,500	28,572	127,672	2,529
1993	613,072	2,700	28,317	124,948	2,371
1994	617,354	2,721	29,360	98,649	1,743
1995	627,468	2,668	31,564	93,742	1,825
1996	639,464	2,655	32,842	80,322	1,732
1997	648,175	2,690	32,842	62,476	2,100
1998	653,155	2,608	35,195	61,640	2,068
1999	676,511	-	38,071	61,991	2,021
2000	672,309	-	41,915	64,350	2,117

(a) Other Aids include:

1. Instructional services in handicapped schools	\$ 3,841
2. Instructional programs for youth in detention	800
3. Support of children attending school in Canada	106
	<u>\$ 4,747</u>

(b) Data for 1994 through 2000 includes State Correspondence School and Mt. Edgecumbe Boarding School.

(c) Not stated in thousands.

TABLE 5

<u>Other Aids (a)</u>		<u>Totals</u>	<u>Average Daily Membership (1st Qtr) (b)(c)</u>	<u>State Aid Cost Ratio Per Pupil (b) (c)</u>
\$	3,691	\$ 676,591	110,365	\$ 6,130
	3,929	726,298	113,348	6,408
	4,014	775,422	116,653	6,647
	3,989	753,816	121,429	6,208
	4,143	761,410	122,511	6,215
	4,539	761,554	124,753	6,104
	4,651	752,934	126,464	5,954
	4,750	759,416	129,425	5,868
	4,724	783,318	132,905	5,894
	4,747	785,438	131,696	5,964

STATE OF ALASKA
ASSESSED AND FULL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years
 June 30, 2000
 (Stated in Thousands)

TABLE 6

Calendar Year	Values Within Cities & Boroughs			
	Real Property		Personal Property	
	Assessed Value	Full Value	Assessed Value	Full Value
1990	\$ 16,503,285	\$ 18,091,094	\$ 2,263,406	\$ 4,671,988
1991	17,297,540	18,219,506	2,434,417	4,215,680
1992	18,725,444	19,667,968	2,560,998	4,370,161
1993	19,263,773	20,411,013	2,621,355	4,418,487
1994	20,147,234	21,476,740	2,679,371	4,694,996
1995	21,274,993	22,622,971	2,560,465	4,602,147
1996	22,285,757	23,653,953	2,599,057	4,756,612
1997	23,820,717	25,691,808	2,666,315	4,852,884
1998	25,215,942	26,459,540	2,575,780	4,918,058
1999	26,536,533	28,127,982	2,582,718	5,272,520

NOTE: Information obtained from Alaska Taxable 1999, published by Department of Community and Economic Development, Municipal and Regional Assistance Division, Office of the State Assessor.

TABLE 6

Total		All Areas	Ratio of Total Assessed to Total Full Value	
Assessed Value	Full Value	Full Value	Cities & Boroughs	All Areas
\$ 18,766,691	\$ 22,763,082	\$ 39,668,486	82.4%	47.3%
19,731,957	22,435,186	40,933,544	88.0%	48.2%
21,286,442	24,038,129	42,278,195	88.6%	50.3%
21,885,128	24,829,500	42,357,481	88.1%	51.7%
22,826,605	26,171,736	43,829,908	87.2%	52.1%
23,835,458	27,225,118	44,394,000	87.5%	53.7%
24,884,814	28,410,565	45,265,505	87.6%	55.0%
26,487,032	30,544,692	47,013,312	86.7%	56.3%
27,791,722	31,377,598	47,541,072	88.6%	58.5%
29,119,251	33,400,502	49,157,742	87.2%	59.2%

STATE OF ALASKA
SCHEDULE OF NET GENERAL BONDED DEBT / PROPERTY VALUE RATIOS AND PER CAPITA
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)

TABLE 7

Calendar Year	Population (a) (c)	Assessed Value Cities & Boroughs (b)	Full Value All Areas (b)	Gross General Bonded Debt
1990	553,171	\$ 18,766,691	\$ 39,668,486	\$ 290,531
1991	569,054	19,731,957	40,933,544	213,032
1992	586,722	21,286,442	42,278,195	156,883
1993	596,906	21,885,128	42,357,481	105,520
1994	600,622	22,826,605	43,829,908	78,192
1995	601,581	23,835,458	44,394,000	39,101
1996	605,212	24,884,814	45,265,505	24,206
1997	609,655	26,487,032	47,013,312	10,891
1998	617,082	27,791,722	47,541,072	2376
1999	622,000	29,119,251	49,157,742	0

- (a) Population figures are taken from the Alaska Population Overview - 1999 Estimates, published by the Department of Labor and Workforce Development, Research and Analysis Section, Demographics Unit. Population figures have been revised from 1991 through 1998.
- (b) Information obtained from Alaska Taxable 1999, published by Department of Community and Economic Development, Municipal and Regional Assistance Division, Office of the State Assessor.
- (c) Not stated in thousands.

TABLE 7

Less Debt Service Funds	Net General Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value: Cities & Boroughs	Ratio of Net General Bonded Debt to Full Value: All Areas	Net General Bonded Debt Per Capita (c)
\$ 1,337	\$ 289,194	1.5%	0.7%	\$ 523
0	213,032	1.1%	0.5%	374
343	156,540	0.7%	0.4%	267
343	105,177	0.5%	0.2%	176
148	78,044	0.3%	0.2%	130
0	39,101	0.2%	0.1%	65
7,700	16,506	0.1%	0.0%	27
0	10,891	0.0%	0.0%	18
668	1,708	0.0%	0.0%	3
0	0	0.0%	0.0%	0

STATE OF ALASKA

TABLE 8

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES AND UNRESTRICTED REVENUES

Last Ten Fiscal Years

June 30, 2000

(Stated in Thousands)

Fiscal Year	Principal	Interest	Total Debt Service	Total General Fund		Ratio of Debt Service to General Fund	
				Expenditures	Unrestricted Revenues	Expenditures	Unrestricted Revenues
1991	\$ 77,499	\$ 17,984	\$ 95,483	\$ 2,804,676	\$ 3,393,059	3.4%	2.8%
1992	56,149	12,052	68,201	3,023,658	2,801,092	2.3%	2.4%
1993	51,363	8,325	59,688	3,145,310	2,742,032	1.9%	2.2%
1994	28,398	5,421	33,819	3,338,553	1,919,787	1.0%	1.8%
1995	20,221	2,696	22,917	3,312,357	2,458,698	0.7%	0.9%
1996	18,870	2,435	21,305	3,385,929	2,383,671	0.6%	0.9%
1997	14,895	1,601	16,496	3,350,248	2,788,733	0.5%	0.6%
1998	13,315	904	14,219	3,301,455	2,064,732	0.4%	0.7%
1999	8,515	324	8,839	3,434,008	1,522,285	0.3%	0.6%
2000	2,376	57	2,433	3,555,606	2,508,319	0.1%	0.1%

NOTE: Expenditures include operating transfers for debt service.

STATE OF ALASKA
SCHEDULE OF REVENUE BOND COVERAGE
INTERNATIONAL AIRPORT FUND
Last Ten Fiscal Years
June 30, 2000
(Stated in Thousands)

TABLE 9

Fiscal Year	Revenue	Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Ratio of Net Revenue to Debt Service Requirements
				Principal	Interest	Total	
1991	\$ 53,300	\$ 35,242	\$ 18,058	\$ 3,140	\$ 5,478	\$ 8,618	2.1
1992	47,944	35,933	12,011	7,535	5,219	12,754	0.9
1993	46,664	36,177	10,487	2,920	4,671	7,591	1.4
1994	44,914	35,937	8,977	6,860	2,377	9,237	1.0
1995	48,959	36,291	12,668	3,390	2,276	5,666	2.2
1996	50,825	37,310	13,515	3,505	2,168	5,673	2.4
1997	55,799	40,510	15,289	3,640	2,041	5,681	2.7
1998	54,221	39,278	14,943	3,785	1,896	5,681	2.6
1999	52,184	40,901	11,283	3,970	1,735	5,705	2.0
2000	56,716	42,472	14,244	3,210	12,812	16,022	0.9

NOTE: The revenue and expense figures are from the statement contained within the State of Alaska Annual Financial Report titled Other Agencies Enterprise Funds, Statement of Revenues, Expenses and Changes in Retained Earnings. The revenue figures are from the operating revenue accounts titled Charges for Services and Other. The figures for expenses include Personal Services, Travel and Per Diem, Contractual Services, and Materials and Supplies.

GENERAL:

<u>Date of Incorporation:</u>	January 3, 1959	<u>Area - Square Miles:</u>	586,412
<u>Date of Constitution Adopted:</u>	April 24, 1956 (Referendum Date)	<u>Coast-line Miles:</u>	33,904

Form of Government: State

<u>Employees Paid as of June 30, 2000:</u>						
	Regular Full-Time	Regular Part-Time	Seasonal Full-Time	Seasonal Part-time	2000 Total	1999 Total
Public Safety/Security Officers	397				397	409
Marine (Ferry)	726				726	768
General Government, Confidential, LTC	8,606	286	1,217	12	10,121	9,988
Supervisors	1,386		12		1,398	1,337
Firefighters	4		412		416	624
Teachers	74	13			87	94
National Guard		8			8	30
Exempt, Partially Exempt, and Excluded	1,349	146	5		1,500	1,463
Judicial Workers	606	54			660	645
Legislative Employees	370	12		38	420	370
Total Employees	13,518	519	1,646	50	15,733	15,728

Number of Votes Cast Compared to Number of Registered Voters:

	Voted	Registered	Percentage Voting
Last General Election - November 3, 1998	227,156	453,332	50.1
Last Primary Election - August 25, 1998	109,906	446,200	24.6
Last Special Election - September 14, 1999	186,087	446,245	41.7

FIRE PROTECTION:

	2000	1999
Number of Fire Departments Registered with Fire Marshall	110	128
Number of Full-Time Firefighters	1,100	1,097
Number of Volunteer Firefighters	3,900	3,963

EDUCATION:

	Number of Schools	Number of Certified Teachers	Initial Enrollment Students
Regional Education Attendance Areas (REAA):	159	1,240	14,630
Elementary			10,966
Secondary			3,664
Cities/Boroughs:	345	7,629	118,192
Elementary			84,186
Secondary			34,006
Private and Denominational Schools:	42		2,472

NOTES: Central Correspondence Study and Mt. Edgecumbe High School data are not included.
Elementary includes Pre-elementary through grade 8. Secondary includes grades 9 through 12.
Home schools are not included, as they don't register with the Alaska Department of Education and Early Development.
In past years, the home school numbers were included with the Private and Denominational Schools.
State of Alaska has no oversight over Private and Denominational Schools.

Information obtained from the Alaska Department of Education and Early Development,
Division of Education Support Services, School Finance Section.

EDUCATION:

Enrollment of Alaska Students - Last Ten Fiscal Years						
Fiscal Year	City and Borough	REAA'S	Private and Denominational Schools	Central Correspondence Study	Mount Edgecumbe	Enrollment All Schools
1991	99,724	13,091	5,041	877	211	118,944
1992	104,286	13,425	4,509	781	213	123,214
1993	107,567	13,611	4,802	1,046	264	127,290
1994	110,180	14,061	4,581	1,425	282	130,529
1995	111,490	13,954	4,417	1,357	266	131,484
1996	111,700	14,429	3,981	1,351	282	131,743
1997	113,762	14,381	3,835	1,489	287	133,754
1998	115,484	13,942	3,383	1,569	308	134,685
1999	118,374	14,468	4,177	2,628	308	139,955
2000	118,192	14,630	2,472	1,240	329	136,863

Alaska Colleges, Universities, and Community Colleges - Closing Enrollment - Last Ten Academic Years					
Fall Semester	University of Alaska Main Campuses (a)	University of Alaska Community College (a)	Alaska Pacific University	Sheldon Jackson College	Alaska Bible College
1990	31,967	461	1,717	268	111
1991	32,840	352	1,827	308	93
1992	32,624	1,193	2,051	299	61
1993	31,883	1,220	1,665	280	53
1994	31,496	1,388	1,560	271	43
1995	31,032	1,477	1,464	223	54
1996	30,303	1,614	1,261	202	48
1997	29,521	1,663	863	185	43
1998	29,180	1,926	940	259	46
1999	28,697	1,552	1,083	235	37
Spring Semester	University of Alaska Main Campuses (a)	University of Alaska Community College (a)	Alaska Pacific University	Sheldon Jackson College	Alaska Bible College
1991	31,672	401	2,001	272	87
1992	32,335	577	1,837	299	73
1993	33,674	1,309	2,250	290	69
1994	32,088	1,744	2,000	277	52
1995	31,522	1,801	2,028	254	53
1996	31,427	1,570	1,762	257	43
1997	31,162	1,915	1,176	196	44
1998	30,115	2,017	1,034	169	39
1999	28,842	1,794	1,207	237	44
2000	28,002	1,900	1,186	188	36

- (a) Starting with the fall semester of 1987, figures reflect the restructuring which has taken place at the University of Alaska. Formerly, there were eleven community colleges, three four-year institutions, rural education and cooperative extension programs. Now, there are three multi-campus institutions and one community college. Previous figures counted students taking courses for audit which are no longer included in the count. Beginning with Fall 1993, data from Arctic Sivunmun Iliisagvik (North Slope) is not reported.

NOTE: Enrollment figures are head count enrollments.

TRANSPORTATION:

Miles of Public Highways:	2000	1999
Land Miles:		
State (DOT/PF) Maintained:		
Interstate	1,082	1,082
Other Principal Arterials	867	867
Minor Arterials	619	619
Collectors	2,418	2,426
Local	591	613
State (DOT/PF) Maintained Subtotal	5,577	5,607
Other State (DNR) Maintained:	454	434
Borough/Municipal/Community:		
Arterials	25	25
Collectors	226	227
Local	5,053	5,174
Borough/Municipal/Community Subtotal	5,304	5,426
Federal Agency Maintained:		
U.S. Forest Service	1,059	1,059
Bureau of Land Management (BLM)		
National Parks	127	127
BIA Reservation (Metlakatla)	24	24
Federal Agency Maintained Subtotal	1,210	1,210
Total Land Miles	12,545	12,677
Ferry Miles:		
State (DOT/PF) Maintained:		
Arterials	1,326	1,326
Collectors	979	979
Local	470	470
Total Ferry Miles	2,775	2,775
Total Miles of Public Highways	15,320	15,452

NOTE: DOT/PF refers to Department of Transportation and Public Facilities and DNR refers to Department of Natural Resources.

Total Air Carrier Activity
State of Alaska International Airports
Last Ten Fiscal Years

Fiscal Year	Landings		Passengers			Freight (tons)	
	Jets	Total	In	Out	Through	In	Out
1991	49,512	101,142	2,029,180	2,012,655	1,117,883	89,747	146,200
1992	52,906	110,396	2,163,161	2,173,803	827,814	78,618	130,731
1993	51,502	104,040	2,141,253	2,141,798	605,409	84,877	131,868
1994	53,106	106,132	2,248,391	2,259,209	572,303	90,478	141,625
1995	52,897	113,315	2,413,614	2,407,308	627,781	95,293	149,505
1996	54,736	110,763	2,412,824	2,428,340	699,884	95,440	148,380
1997	59,164	117,379	2,548,920	2,547,063	802,424	90,903	149,686
1998	66,301	122,576	2,532,369	2,531,986	779,953	103,288	159,669
1999	66,831	114,815	2,522,005	2,538,998	734,715	227,259	253,329
2000	69,901	119,372	2,588,078	2,600,238	694,662	247,658	266,363

RECREATION:

Number of Acres:	2000	1999
Federal Parks and Monuments	54,700,000	54,700,000
Federal Wildlife Refuges and Conservation Areas*	80,722,556	80,722,556
Federal Forests	23,051,600	23,051,600
State Parks System	3,247,000	3,303,290
State Forests	2,243,100	2,243,100
State Public Reserves and Rivers	2,598,430	2,598,430
Other State Conservation Preserves, Game Refuges, Sanctuaries, and Critical Habitat Areas	3,038,000	3,193,560
Other Government, Local Government/Municipal	29,000	28,759
Total Number of Acres	169,629,686	169,841,295

*BLM manages 2,766,949 acres which are included in the 80,722,556.

POPULATION:

Year	Population	Increase (Decrease)		Civilian	Military
		Number	Percent		
1950	128,643	-	-	108,301	20,342
1960	226,167	97,524	75.8	193,678	32,489
1970	300,382	74,215	32.8	269,648	30,734
1980	401,851	101,469	33.8	383,870	17,981
1990	553,124	151,273	37.6	529,992	23,132
1992	586,772	33,648	6.1	562,312	24,460
1993	596,906	10,134	1.7	572,551	24,355
1994	600,622	3,716	0.6	580,503	20,119
1995	601,581	959	0.2	582,545	19,036
1996	605,212	3,631	0.6	586,238	18,974
1997	609,655	4,443	0.7	591,601	18,054
1998	617,082	7,427	1.2	599,062	18,020
1999	622,000	4,918	0.8	603,316	18,684

Age Distribution of Population:

Year	Age Groups									Median Age
	0-4	5-13	14-17	18-24	25-34	35-44	45-54	55-64	65+	
1950	15,579	17,056	5,835	23,597	26,447	18,517	10,656	6,214	4,742	25.8
1960	34,193	43,216	11,487	32,129	39,672	31,981	18,957	9,146	5,386	23.3
1970	32,075	64,743	23,041	45,517	49,299	38,021	26,939	13,860	6,887	22.9
1980	38,949	62,363	29,433	59,773	90,808	54,022	34,243	20,713	11,547	26.1
1990	55,859	87,602	30,356	56,189	113,233	104,039	53,985	29,422	22,439	29.3
1992	57,959	94,765	33,216	54,354	112,298	114,379	63,051	31,476	25,224	30.1
1993	58,200	97,255	34,714	52,298	110,169	117,413	67,759	32,293	26,805	30.6
1994	56,874	98,784	36,496	49,612	106,429	119,029	72,199	33,174	28,025	31.0
1995	54,514	99,639	37,951	47,656	101,782	119,821	76,501	34,438	29,279	31.5
1996	52,568	99,966	38,795	48,377	97,426	120,566	81,217	36,047	30,250	31.9
1997	51,970	100,902	40,304	49,474	92,587	120,167	85,182	38,035	31,034	32.2
1998	51,876	101,208	41,116	51,242	88,444	120,318	89,613	40,977	32,288	32.5
1999	51,111	100,645	41,889	53,140	84,518	119,123	94,496	43,437	33,641	32.9

NOTE: Data for 1950 through 1999 were obtained from Alaska Population Overview - 1999 Estimates, published by Department of Labor and Workforce Development, Research and Analysis Section, Demographics Unit.

PERSONAL INCOME: Bureau of Economic Analysis - U.S. Department of Commerce

Year	Total Alaska Personal Income (Millions)	Alaska Per Capita	U.S. Per Capita	% Alaska to U.S.
1990	\$11,549	\$20,881	\$18,666	111.9
1991	12,271	21,552	19,636	109.8
1992	12,925	22,012	20,582	106.9
1993	13,556	22,715	21,220	107.0
1994	14,065	23,417	22,056	106.2
1995	15,513	25,798	23,562	109.5
1996	15,762	26,057	24,651	105.7
1997	16,465	27,042	25,874	104.5
1998	17,167	27,904	27,322	102.1
1999	17,704	28,577	28,542	100.1

NOTE: Revised data from 1995 through 1998 were obtained from U.S. Department of Commerce press release 00-27, September 12, 2000.

POPULATION OF CORRECTIONAL FACILITIES:

<u>Adult:</u>	<u>2000</u>	<u>1999</u>
Mat-su Pretrial Facility	70	78
Yukon-Kuskokwim Correctional Center	70	81
Cook Inlet Pretrial Facility	403	433
Meadow Creek Correctional Center	78	78
Anchorage Correctional Center Annex (Sixth Avenue)	97	98
Hiland Mountain Correctional Center	194	198
Fairbanks Correctional Center	185	201
Lemon Creek Correctional Center	152	159
Ketchikan Correctional Center	40	39
Nome Correctional Center	96	96
Palmer Correctional Center - Minimum	175	176
Palmer Correctional Center - Medium	158	172
Wildwood Correctional Center	231	230
Wildwood Pretrial Facility	84	99
Spring Creek Correctional Center	481	483
Point MacKenzie	103	104
Alaska Prisoners in Federal Bureau of Prison Facilities Arizona and State of Minnesota Prison Facilities	834	742
State Prisoner Holding Facilities:		
Institutional Tents - Statewide	22	52
Community Residential Centers	665	676
Community Treatment Centers	36	33
Local Community Jails	79	73
Electronic Monitoring	41	-
Total Adult Population of Correctional Facilities	<u>4,294</u>	<u>4,301</u>

<u>Juvenile:</u>	<u>2000</u>	<u>1999</u>
McLaughlin Youth Center	190	192
Fairbanks Youth Center	43	46
Nome Youth Center	4	1
Johnson Youth Center	33	29
Bethel Youth Facility	25	25
Total Juvenile Population of Correctional Facilities	<u>295</u>	<u>293</u>



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STATE OF ALASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal year Ended June 30, 2000

Index of Funds

<u>Fund Description</u>	<u>Authority</u>	<u>Separately Reported?</u>	<u>Fund or Group</u>	<u>Statement Number</u>
Agricultural Revolving Loan	AS 03.10.040	Yes	OAEF	6.10-6.12
AHFC Special Pledge	Ch 107, SLA 1971	NR		
AIDEA - Small Business Economic Development Revolving Loan	Ch 42, SLA 1987	Yes	DPCU	1.09, 1.11, 1.12
Alaska Aerospace Development Corp.	AS 14.40.841	Yes	DPCU	1.09, 1.11, 1.12
Alaska Children's Trust	AS 37.14.200	Yes	NTF	8.04-8.06
Alaska Clean Water	AS 46.03.032	Yes	OAEF	6.10-6.12
Alaska Debt Retirement	AS 37.15.011	No	GF	2.01, 2.02
Alaska Drinking Water	AS 46.03.036	Yes	OAEF	6.10-6.12
Alaska Energy Authority	AS 44.83.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Historical Commission Receipts Account	AS 41.35.380	No	GF	2.01, 2.02
Alaska Housing Finance Corporation	AS 18.56.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Industrial Development & Export Authority	AS 44.88.020	Yes	DPCU	1.09, 1.11, 1.12
Alaska Marine Highway System	AS 19.65.060	No	GF	2.01, 2.02
Alaska Marine Highway System Vessel Replacement	AS 37.05.550	No	GF	2.01, 2.02
Alaska Mental Health Trust Authority	AS 47.30.011	Yes	DPCU	1.09, 1.11, 1.12
Alaska Municipal Bond Bank Authority	AS 44.85.020	Yes	DPCU	1.09, 1.10
Alaska National Guard and Alaska Naval Militia Retirement System	AS 26.05.222	Yes	PTF	1.06, 8.07
Alaska Permanent Fund	Constitution, Art. IX, sec. 15	Yes	NTF	8.04-8.06
Alaska Railroad Corporation	AS 42.40.010	Yes	DPCU	1.09, 1.11, 1.12
Alaska Science & Technology Foundation	AS 37.17.010	Yes	DPCU	1.09, 1.11, 1.12
Alaska Student Loan Corporation	AS 14.42.100	Yes	DPCU	1.09, 1.11, 1.12
Alaska Surplus Property	AS 37.05.500(a)(2) and 44.68.130	No	GF	2.01, 2.02
Alaska World War II Veterans' Revolving Loan	AS 26.15.090	Yes	CAEF	6.04-6.06
Alcoholism & Drug Abuse Revolving Loan	AS 44.29.210	Yes	OAEF	6.10-6.12
Alternative Energy Revolving Loan	AS 45.88.010	Yes	EAEF	6.07-6.09
Alyeska Settlement Trust	Consent decree between U.S., Alaska, and Alyeska	Yes	ETF	8.02, 8.03
Alaska Transportation Infrastructure Bank	Section 350 of the NHSD Act of 1995 Federal Law	No	GF	2.01, 2.02
Art in Public Places	AS 44.27.060	No	GF	2.01, 2.02
Assistive Technology Loan Guarantee	AS 23.15.125	No	GF	2.01, 2.02
ASTF - BIDCO Fund	AS 37.17.210	No	DPCU	1.09, 1.11, 1.12
ASTF - Endowment	AS 37.17.020	No	DPCU	1.09, 1.11, 1.12
ASTF - International Trade & Business Endowment	AS 37.17.440	No	DPCU	1.09, 1.11, 1.12
Budget Reserve - Constitutional	Constitution, Art. IX, sec. 17	Yes	ETF	8.02, 8.03
Budget Reserve - Statutory	AS 37.05.540	NR		
Bulk Fuel Revolving Loan	AS 42.45.250	Yes	EAEF	6.07-6.09
Child Care Facility Revolving A71Loan	AS 44.33.240	Yes	CAEF	6.04-6.06
Child Support Enforcement Division Trust	CSED collections from employee payroll deductions	No	DSMAF	8.08, 8.09

STATE OF ALASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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<u>Fund Description</u>	<u>Authority</u>	<u>Separately Reported?</u>	<u>Fund or Group</u>	<u>Statement Number</u>
Clean Air Protection	AS 46.14.260 and Federal			
	Clean Air Act	Yes	SRF	3.01-3.03
Commercial Fishing Revolving Loan	AS 16.10.340	Yes	CAEF	6.04-6.06
Correctional Industries	AS 33.32.020	Yes	ISF	7.01-7.03
Debt Service	Various SLAs	Yes	DSF	4.01, 4.02
Deferred Compensation	AS 39.45.010	Yes	ETF	8.02, 8.03
Deposits, Suspense, and Miscellaneous Agency funds		Yes	ATF	8.08, 8.09
Disaster Relief	AS 26.23.300	Yes	SRF	3.01-3.03
Donated Commodity Fee	USC 7 CFR, Part 250	No	GF	2.01, 2.02
Educational Facilities Maintenance and Construction	AS 37.05.560	No	GF	2.01, 2.02
Electrical Service Extension	AS 42.45.200	No	GF	2.01, 2.02
Employment Assistance & Training Program Account	AS 23.15.625	No	GF	2.01, 2.02
Exxon Valdez Oil Spill Restoration	U.S. District Court Judgment	Yes	ETF	8.02, 8.03
Exxon Valdez Oil Spill Unincorporated Rural Community Grant Fund	AS 44.47.051	No	GF	2.01, 2.02
Exxon Valdez Settlement Trust	AS 37.14.400	Yes	ETF	8.02, 8.03
FHWA - Airspace Leases	Section 156 of the USSTURAA of 1987	No	GF	2.01, 2.02
FICA Administration	AS 39.30.050	No	GF	2.01, 2.02
Fish and Game	AS 16.05.100	Yes	SRF	3.01-3.03
Fisheries Enhancement Revolving Loan	AS 16.10.505	Yes	CAEF	6.04-6.06
Fishermen's	AS 23.35.060	No	GF	2.01, 2.02
Four Dam Pool Transfer	AS 42.45.050	No	GF	2.01, 2.02
Fuel Emergency	AS 26.23.400	No	GF	2.01, 2.02
Fund for the Improvement of School Performance	AS 14.03.125	No	GF	2.01, 2.02
General Fixed Assets Account Group		Yes	GFAAG	9.01
General Fund	Operating fund of the State	Yes	GF	2.01, 2.02
General Long-term Debt Account Group		Yes	GLTDAG	10.01-10.03
Group Health and Life Benefits	AS 39.30.095	Yes	ISF	7.01-7.03
Highways Equipment Working Capital	AS 44.68.210	Yes	ISF	7.01-7.03
Historical District Revolving Loan	AS 45.98.010	Yes	CAEF	6.04-6.06
Impact Aid PL 103-382	Federal funds passed through to school districts	Yes	ATF	8.08, 8.09
Information Services	AS 44.21.045	Yes	ISF	7.01-7.03
International Airports	AS 37.15.410-550	Yes	OAEF	6.10-6.12
Investment Loss Trust	AS 37.14.300	No	SBS	1.06, 8.07
Judicial Retirement System	AS 22.25.048	Yes	PTF	1.06, 8.07
Major Maintenance Grant	AS 14.11.007	No	GF	2.01, 2.02
Memorial Scholarship Revolving Loan	AS 14.43.255	Yes	ETF	8.02, 8.03
Mining Revolving Loan	AS 27.09.010	Yes	CAEF	6.04-6.06
Municipal Capital Project Matching Grant	AS 37.06.010	No	GF	2.01, 2.02
National Petroleum Reserve	AS 37.05.530	Yes	SRF	3.01-3.03

STATE OF ALASKA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal year Ended June 30, 2000

Index of Funds

<u>Fund Description</u>	<u>Authority</u>	<u>Separately Reported?</u>	<u>Fund or Group</u>	<u>Statement Number</u>
NBA/FDIC owned loans		No	DSMAF	8.08, 8.09
Oil and Hazardous Substance Release Prevention Mitigation Account	AS 46.08.020(b)	No	GF	2.01, 2.02
Oil and Hazardous Substance Release Response Mitigation Account	AS 46.08.025(b)	No	GF	2.01, 2.02
Oil and Hazardous Substance Release Prevention and Response Fund	AS 46.08.010	No	GF	2.01, 2.02
Permanent Fund Dividend	AS 43.23.045	Yes	ETF	8.02, 8.03
Power Cost Equalization and Rural Electric Capitalization	AS 42.45.100	No	GF	2.01, 2.02
Power Project Fund	AS 42.45.010	Yes	EAEF	6.07-6.09
Public Advocacy Trust	AS 44.21.410	Yes	ETF	8.02, 8.03
Public Employees' Retirement System	AS 39.35.020	Yes	PTF	1.06, 8.07
Public School Trust	AS 37.14.110	Yes	NTF	8.04, 8.06
Railbelt Energy	AS 37.05.520	No	GF	2.01, 2.02
Randolph - Sheppard Small Business	AS 23.15.130 and 20 USC 107-107(f)	No	GF	2.01, 2.02
Real Estate Surety	AS 08.88.450	No	GF	2.01, 2.02
Reclamation Bonding Pool	AS 27.19.040	Yes	SRF	3.01-3.03
Residential Energy Conservation	AS 45.89.010	Yes	EAEF	6.07-6.09
Rural Development Initiative	AS 44.33.765	Yes	OAEF	6.10-6.12
Rural Electrification Revolving Loan	AS 42.45.020	Yes	EAEF	6.07-6.09
School	AS 43.50.140	Yes	SRF	3.01-3.03
School Construction Grant	AS 14.11.005	No	GF	2.01, 2.02
School Trust Land Sales	Attorney General Opinion	No	GF	2.01, 2.02
Second Injury	AS 23.30.040	No	GF	2.01, 2.02
Small Business Revolving Loan	AS 45.95.060	Yes	CAEF	6.04-6.06
Southeast Energy	AS 42.45.040	No	GF	2.01, 2.02
State Insurance Catastrophe Reserve	AS 37.05.289	No	GF	2.01, 2.02
Storage Tank Assistance	AS 46.03.410	No	GF	2.01, 2.02
Supplemental Benefits System	AS 39.30.150	Yes	PTF	1.06, 8.07
TAPS Rebate	Federal Public Law 101-380	No	GF	2.01, 2.02
Teachers' Retirement System	AS 14.25.010	Yes	PTF	1.06, 8.07
Training and Building	AS 23.20.130(d)	Yes	SRF	3.01-3.03
Transportation Construction	Ch 118, SLA 1980	Yes	CPF	5.01, 5.02
Transportation Facilities Construction	Ch 138, SLA 1978	Yes	CPF	5.01, 5.02
U of A - Advance Tuition	AS 14.40.803	No	U of A	1.07, 1.08, 1.13
U of A - Land Endowment	AS 14.40.400	No	U of A	1.07, 1.08, 1.13
Unemployment Compensation	AS 23.20.130	Yes	ETF	8.02, 8.03
Unincorporated Community Capital Project Matching Grant	AS 37.06.020	No	GF	2.01, 2.02
University of Alaska	AS 14.40.040	Yes	DPCU	1.07, 1.08, 1.13
Vocational Rehabilitation Small Business Enterprise Revolving	AS 23.15.130	No	GF	2.01, 2.02
Wage & Hour Trust		Yes	ATF	8.08, 8.09

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LEGEND OF ACRONYMS

<u>Acronym</u>	<u>Description</u>
AS	Alaska Statute
AHFC	Alaska Housing Finance Corporation
AIDEA	Alaska Industrial Development and Export Authority
ASTF	Alaska Science & Technology Foundation
ATF	Agency Trust Fund
CAEF	Commercial Assistance Enterprise Fund
CFR	Code of Federal Regulations
Ch	Chapter
CPF	Capital Projects Fund
CSED	Child Support Enforcement Division
DPCU	Discretely Presented Component Unit
DSF	Debt Service Fund
DSMAF	Deposits, Suspense, & Miscellaneous Agency Funds
EAEF	Energy Assistance Enterprise Fund
ETF	Expendable Trust Fund
GF	General Fund
GFAAG	General Fixed Assets Account Group
GLTDAG	General Long-term Debt Account Group
ISF	Internal Service Fund
NR	Not Reported in CAFR
NTF	Nonexpendable Trust Fund
OAEF	Other Agencies Enterprise Fund
PSF	Public School Fund
PTF	Pension Trust Fund
SBS	Supplemental Benefits System
SLA	Session Laws of Alaska
SRF	Special Revenue Fund
USC	United States Code
USSTURAA	United States Surface Transportation and Uniform Relocation Assistance Act
U of A	University of Alaska